Form 3160-3 (August 2007)

1a. Type of Work:

1b. Type of Well:

At surface

995

2. Name of Operator EOG RESOURCES, INC.

3a. Address 1060 EAST HIGHWAY 40

VERNAL, UT 84078

☐ DRILL

Oil Well

14. Distance in miles and direction from nearest town or post office\*

58.5 MILES SOUTH OF VERNAL

completed, applied for, on this lease, ft.

21. Elevations (Show whether DF, KB, RT, GL, etc.

15. Distance from proposed location to nearest property or

lease line, ft. (Also to nearest drig. unit line, if any)

18. Distance from proposed location to nearest well, drilling,

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

_	T
٦.	Lease Serial No.
٠.	
	UTU01304
	111111113114

APPLICATION FOR P	PERMIT TO	DRILL OF	REENTER
-------------------	-----------	----------	---------

□ Other

At proposed prod. zone NWNE Lot 2 995FNL 1768FEL 40.06922 N Lat, 109.31009 W Lon

Contact: KAYLENE R GARDNER

E-Mail: kaylene\_gardner@eogresources.com

NWNE Lot 2 995FNL 1768FEL 40.06922 N Lat, 109.31009 W Lon

16. No. of Acres in Lease

2451.00

19. Proposed Depth

9220 MD

REENTER

Gas Well

4. Location of Well (Report location clearly and in accordance with any State requirements.\*)

6. If Indian, Allottee or Tribe Name 7. If Unit or CA Agreement, Name and No. 8. Lease Name and Well No. EAST CHAPITA 84-03 Multiple Zone API Well No NATURAL BUTTES 11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T9S R23E Mer SLB 12. County or Parish 13. State UINTÁH UT 17. Spacing Unit dedicated to this well 20. BLM/BIA Bond No. on file

#### 24. Attachments

22. Approximate date work will start

□ Single Zone

Phone No. (include area code) Ph: 435-781-9111

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.

4999 GL

- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

NM 2308

45-DAYS

23. Estimated duration

- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Efectionic State History)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 01/21/2009
Title REGULATORY ADMINISTRATOR		
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILL	Date 01-29-09
Title	Office ENVIRONMENTAL MANAGER	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

#### Additional Operator Remarks (see next page)

644176X 44366014 40.069234

-109.309341

Electronic Submission #66519 verified by the BLM Well Information System RECEIVED

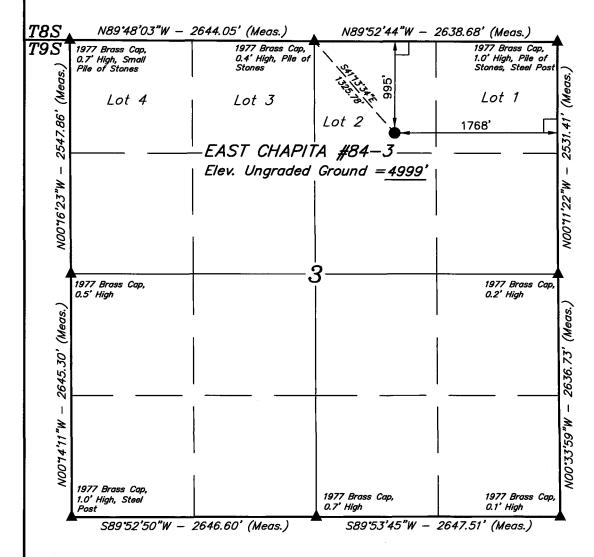
Federal Approval of this Action is Necessary

JAN 28 2009

DIV. OF OIL, GAS & MINING

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

# T9S, R23E, S.L.B.&M.



#### LEGEND:

 $= 90^{\circ} \text{ SYMBOL}$ 

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

#### (NAD 83)

LATITUDE =  $40^{\circ}04'09.19''$  (40.069219)

LONGITUDE = 109"18'36.32" (109.310089)

(NAD 27)

LATITUDE = 40°04'09.31" (40.069253) LONGITUDE = 109°18'33.88" (109.309411)

# S.L.B.&M., Uintah County, Utah.

EOG RESOURCES, INC.

BASIS OF ELEVATION

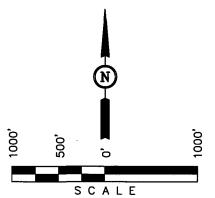
Well location, EAST CHAPITA #84-3, located as

shown in Lot 2 of Section 3, T9S, R23E,

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY, SAID ELEVATION IS MARKED AS BEING 5132 FEET.

#### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



#### CERTIFICATE

REGISTRED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF MANTE OF U

# UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

SCALE DATE SURVEYED: DATE DRAWN: 1" = 1000'08-28-08 09-11-08 REFERENCES PARTY M.H. T.M. C.C. G.L.O. PLAT WEATHER FILE HOT EOG RESOURCES, INC.

## EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,976		Shale	
Mahogany Oil Bed Shale	2,617		Shale	
Wasatch	4,832	Primary	Sandstone	Gas
Chapita Wells	5,419	Primary	Sandstone	Gas
Buck Canyon	6,079	Primary	Sandstone	Gas
North Horn	6,625	Primary	Sandstone	Gas
KMV Price River	7,053	Primary	Sandstone	Gas
KMV Price River Middle	7,750	Primary	Sandstone	Gas
KMV Price River Lower	8,527	Primary	Sandstone	Gas
Sego	9,018		Sandstone	T
TD	9,220			

Estimated TD: 9,220' or 200'± below TD

**Anticipated BHP: 5,035 Psig** 

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

CASING	<u>Hole</u> <u>Size</u>	<u>Length</u>	<u>Size</u>	WEIGHT	<u>Grade</u>	Thread	Rating Collapse	Factor Burst	<u>Tensile</u>
Conductor	26"	0 – 60'	16"	65.0#	H-40	STC	670 PSI	1460 PSI	:1
Surface	12 1/4"	0 – 2,300° KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface - TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#
	<del>-</del>								

Note:  $12-\frac{1}{4}$ " surface hole will be drilled to a total depth of  $200^{\circ}\pm$  below the base of the Green River lost circulation zone and cased  $\frac{9-\frac{1}{4}}{3}$ " as shown to that depth. Drilled depth may be shallower or deeper than the  $2300^{\circ}$  shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

# EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 5. Float Equipment:

#### Surface Hole Procedure (0'- 2300'±)

**Guide Shoe** 

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

#### Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

#### 6. MUD PROGRAM

#### **Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' $\pm$  - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

## EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

Onshore Oil and Gas Order No. 2 - Section E: Special Drilling Operations

- o EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- o EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- o EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- o EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- o EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

#### 8. EVALUATION PROGRAM:

**Logs:** Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

**Cement Bond / Casing Collar Locator and Pulsed Neutron** 

## EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 9. <u>CEMENT PROGRAM:</u>

#### Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3

1/4 #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCI<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2

gps water.

**Top Out**: As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18

ft<sup>3</sup>/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

#### Production Hole Procedure (2300'± - TD)

**Lead:** 140 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

(cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 862 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

#### 10. ABNORMAL CONDITIONS:

#### **Surface Hole (Surface - 2300'±):**

Lost circulation

#### Production Hole (2300' $\pm$ - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

# EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

#### 12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

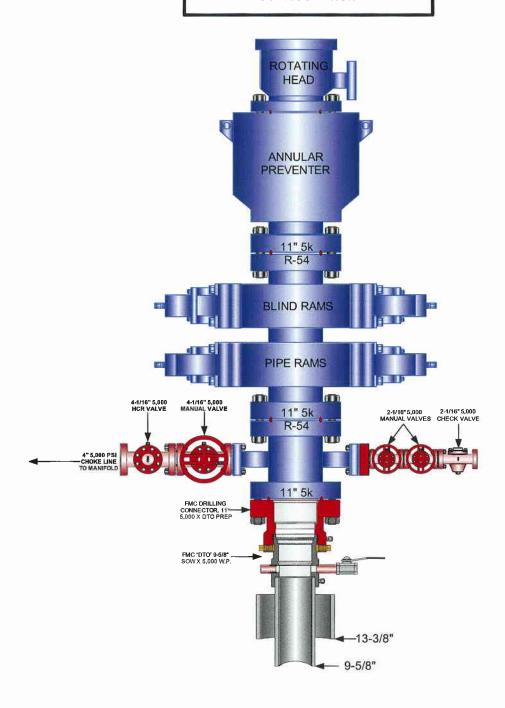
#### 13. Air Drilling Operations:

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

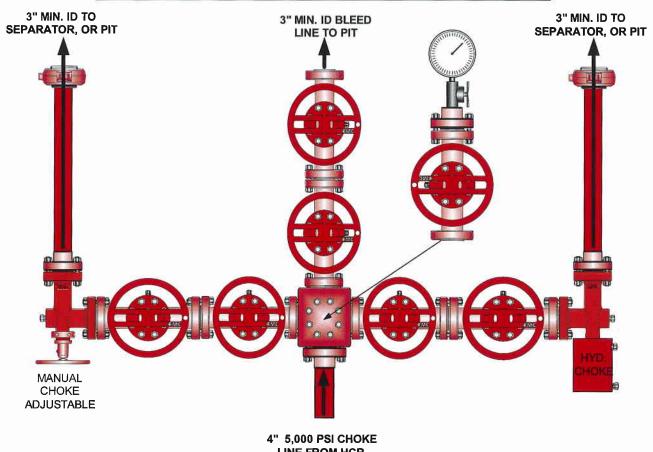
# EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

**PAGE 2 0F 2** 



LINE FROM HCR **VALVE** 

#### **Testing Procedure:**

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



# East Chapita 84-03 NWNE, Section 3, T9S, R23E Uintah County, Utah

#### SURFACE USE PLAN

The well pad is approximately 375 feet long with a 266-foot width, containing 2.29 acres more or less. The well access road is approximately 528 feet long with a 30-foot right-of-way, disturbing approximately .36 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.65 acres. The pipeline is approximately 46 feet long with a 40-foot temporary right-of-way and an 8-foot permanent right-of-way disturbing approximately 0.008 acre.

#### 1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 58.5 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

#### 2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 528' in length; culverts will be installed on an as-needed basis. See attached Topo B.
- B. The access road has a 30-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

- I. A 30-foot permanent right-of-way is requested. No surfacing material will be used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

The entire length of the proposed access road is located within lease and will not require a right-of-way.

#### 3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

#### 4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

#### A. On Well Pad

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and associated pipe.
- 2. Gas gathering lines A 4" gathering line will be buried from the dehy unit to the edge of the location.

#### B. Off Well Pad

- 1. Proposed pipeline will transport natural gas.
- 2. The pipeline will be a permanent feeder line.
- 3. The length of the proposed pipeline right-of-way is 1050' x 8'. The proposed pipeline leaves the western edge of the well pad (Lease UTU01304) proceeding in a easterly direction for an approximate distance of 1050' to tieing into an existing pipeline in the NWNE of Section 3, T9S, R23E (Lease UTU01304). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
- 4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
- 5. Proposed pipeline will be laid on surface.
- 6. A 8-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
- 7. The proposed pipeline route begins in the NWNE of Section 3, Township 9S, Range 23E, proceeding easterly for an approximate distance of 1050' to the NWNE of Section 3, Township 9S, Range 23E.
- 8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All facilities will be painted with Carlsbad Canyon. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

#### 5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)).
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

#### 6. Source of Construction Materials:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

#### 7. METHODS OF HANDLING WASTE DISPOSAL:

#### A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3, 4, 5 or 6, Coyote Evaporation Ponds 1, 2, 3, or 4, Coyote Evaporation Ponds 1 or 2, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the Authorized Officer (A.O.)

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

#### 8. ANCILLARY FACILITIES:

None anticipated.

#### 9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the nothwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the north side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil north of corner #5. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction,

the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

#### **FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

#### 10. PLANS FOR RECLAMATION OF THE SURFACE:

#### A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be reseeded during interim reclamation. The reserve pit will be reclaimed within 6 months from the date of the well completion, or as soon as weather allows. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	5.0
Shadscale	4.0
Prostrate Kochia	3.0

<sup>\*</sup>Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Gardner Saltbush	4.0
Shadscale	4.0
HyCrest Wheatgrass	4.0

<sup>\*</sup>Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### 11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

#### **Bureau of Land Management**

#### 12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
  - Whether the materials appear eligible for the National Register of Historic Places;
  - The mitigation measures the operator will likely have to undertake before the site can be used.
  - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to

Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

#### **Additional Surface Stipulations:**

A drainage ditch will be constructed between reserve pit corner "B" and reserve pit corner "6".

#### LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

## **PERMITTING AGENT**

Kaylene Gardner EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078 (435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

#### **CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 84-03 Well, located in the NWNE, of Section 3, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

January 20, 2008

Date

Kaylene R. Garaner, Regulatory Administrator

# EOG RESOURCES, INC. EAST CHAPITA #84-3

LOCATED IN UINTAH COUNTY, UTAH SECTION 3, T9S, R23E, S.L.B.&M.

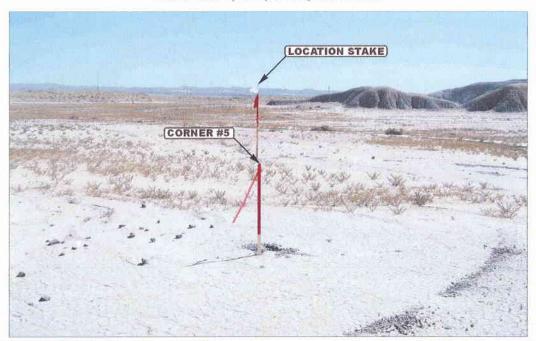


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



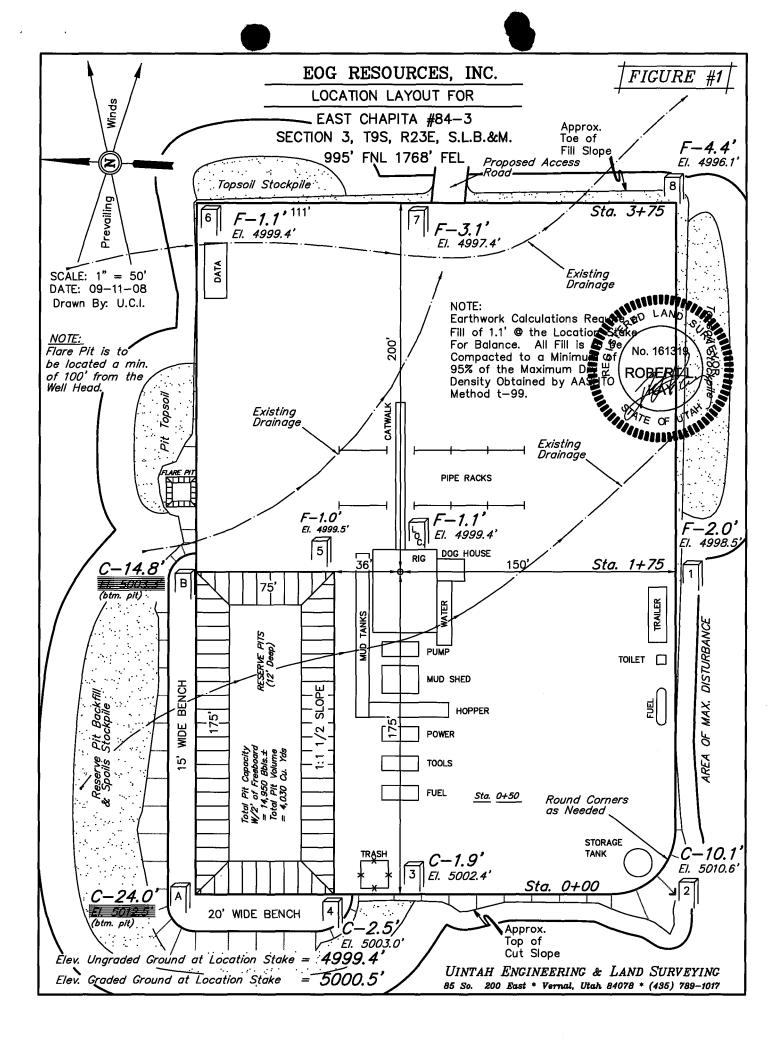
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 (435) 789-1017 \* FAX (435) 789-1813

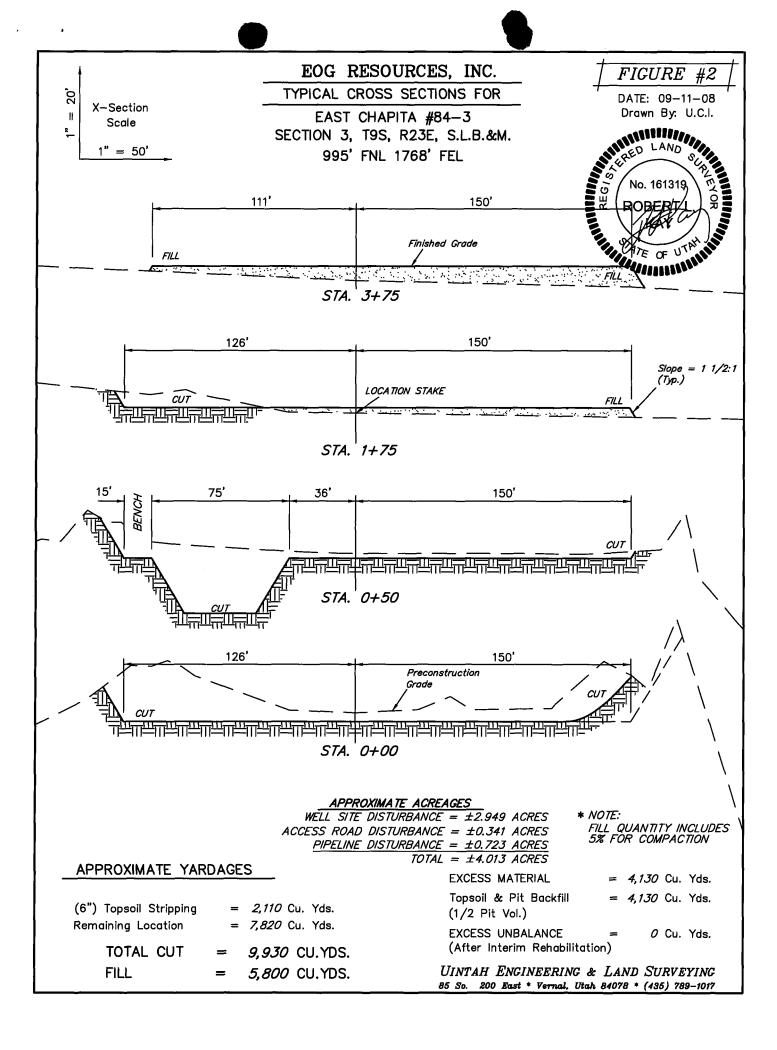
LOCATION PHOTOS

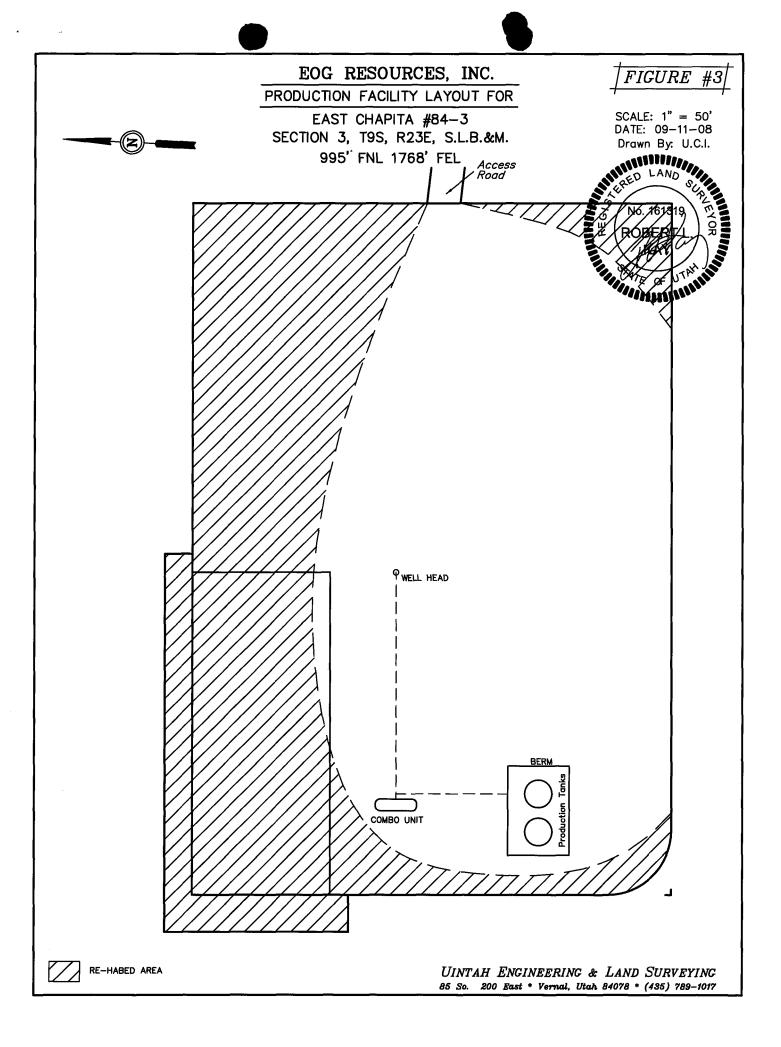
O9 18 08 MONTH DAY YEAR

РНОТО

TAKEN BY: T.M. | DRAWN BY: Z.L. | REVISED: 00-00-00



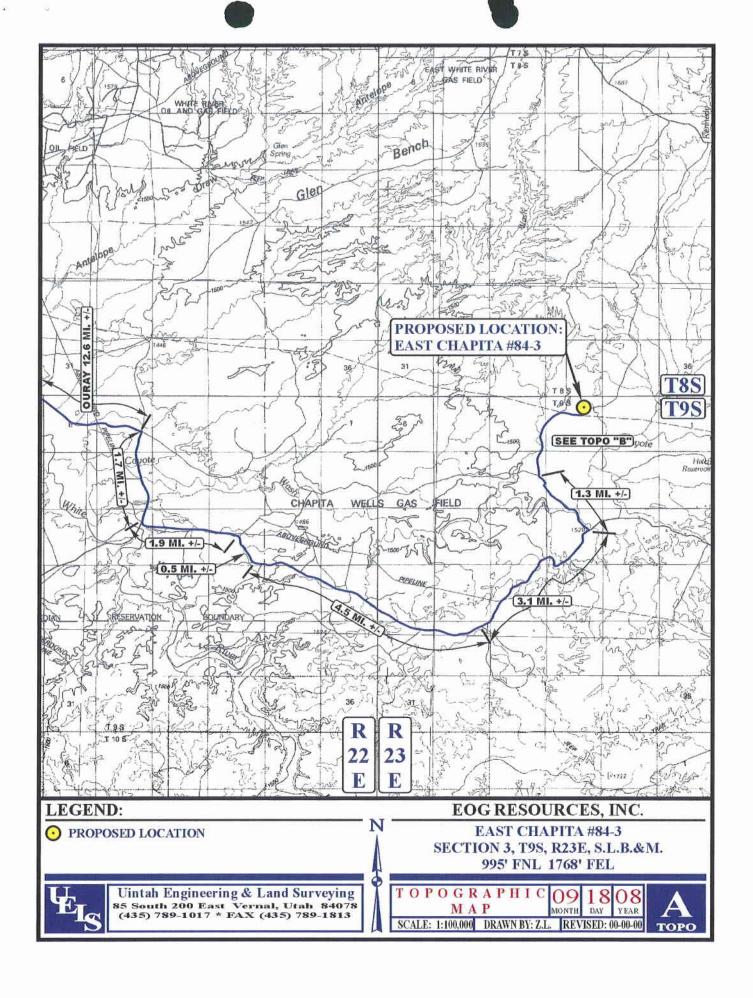


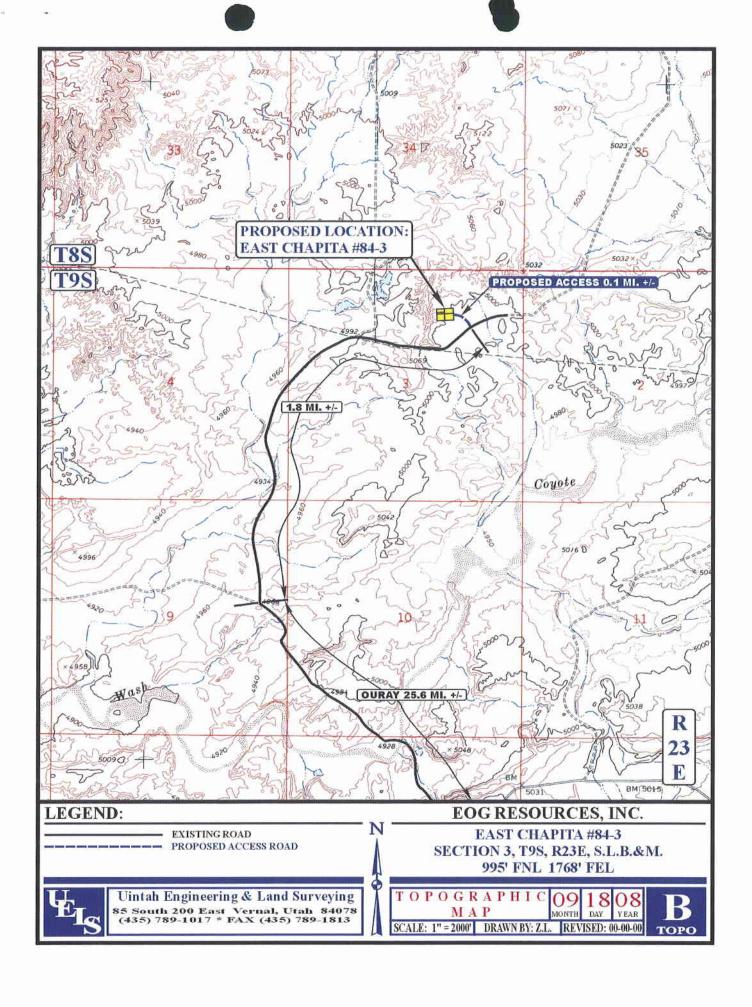


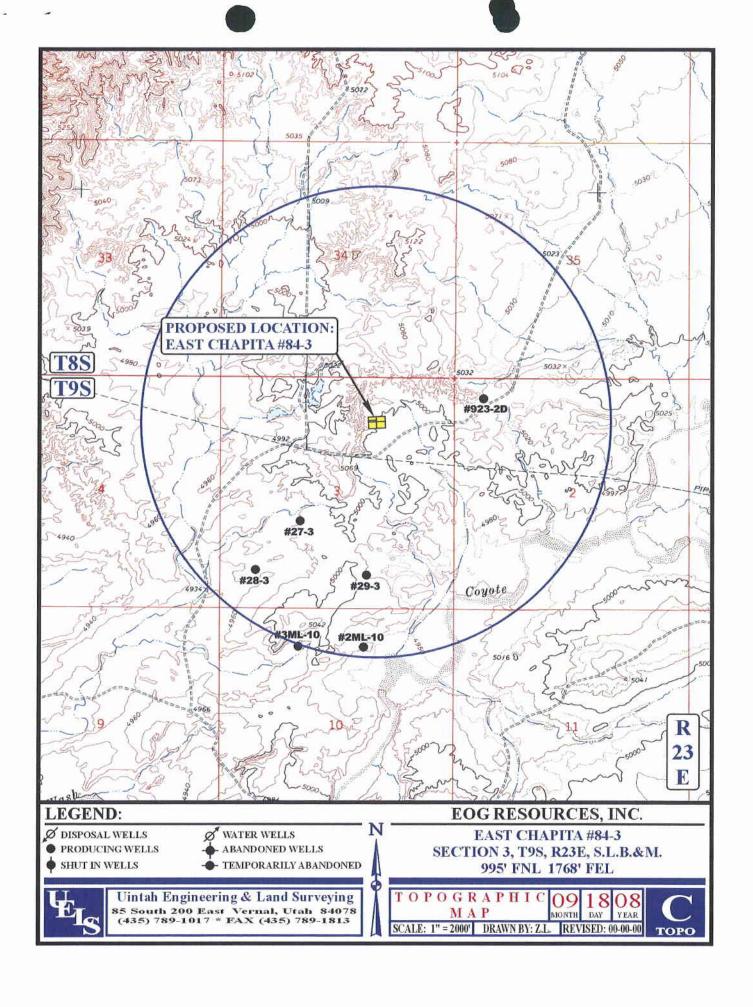
# EOG RESOURCES, INC. EAST CHAPITA #84-3 SECTION 3, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST: TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST: TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST: TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATLEY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST: TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATLEY 3.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE BEGINNING OF THE PROPOSED TO THE NORTHWEST; FOLLOW ROAD **FLAGS** NORTHWESTERLY DIRECTION APPROXIMATELY 0.1 TO THE PROPOSED LOCATION.

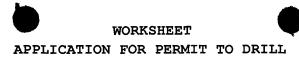
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.5 MILES.



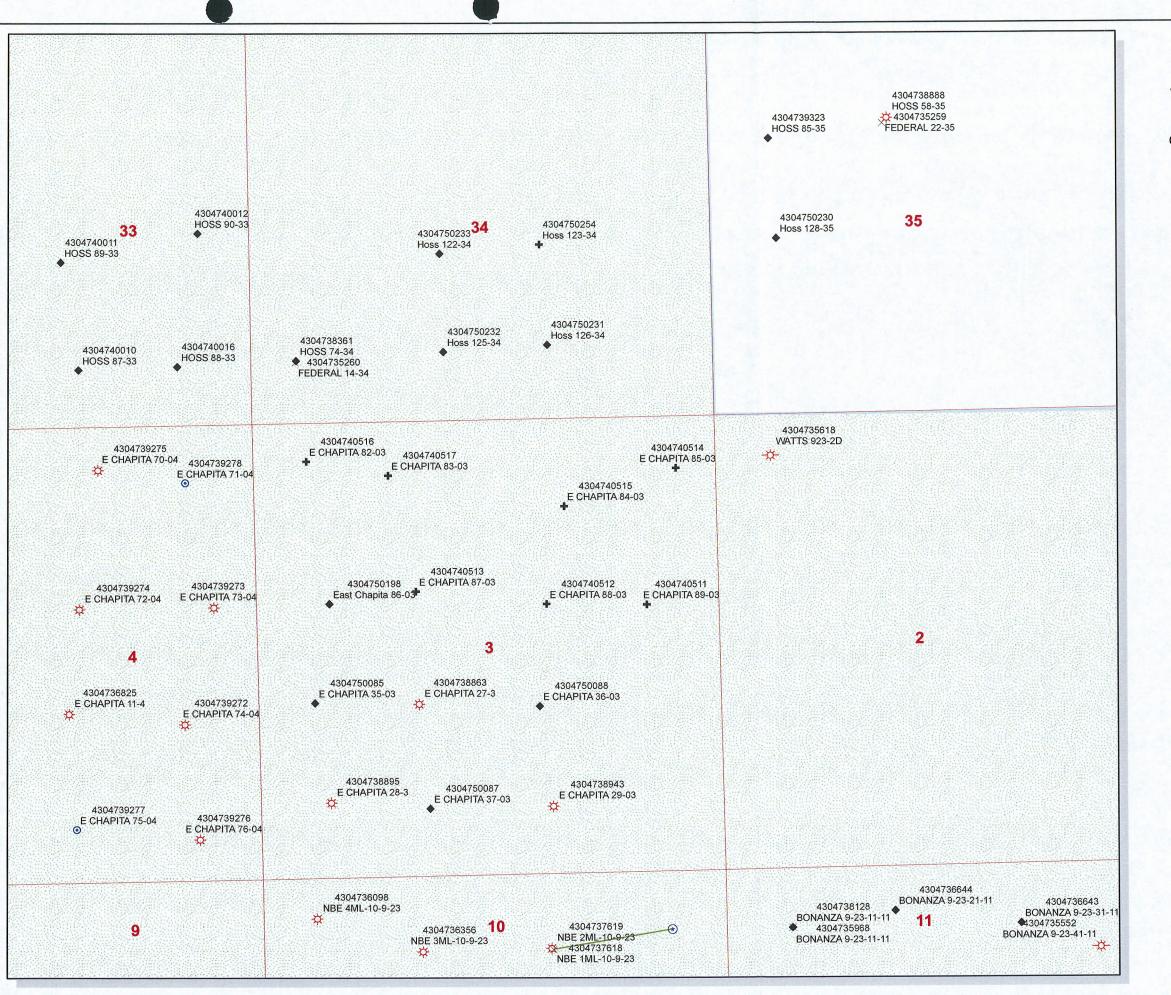




IF 11 o II D 5032 X T8S PROPOSED LOCATION: EAST CHAPITA #84-3 PROPOSED ACCESS ROAD
EXISTING PIPELINE TIE-IN POINT 5069 R 23 E APPROXIMATE TOTAL PIPELINE DISTANCE = 1,050' +/-LEGEND: EOG RESOURCES, INC. PROPOSED ACCESS ROAD EAST CHAPITA #84-3 PROPOSED PIPELINE EXISTING PIPELINE SECTION 3, T9S, R23E, S.L.B.&M. 995' FNL 1768' FEL TOPOGRAPHIC 09 18 08 MONTH DAY YEAR Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 (435) 789-1017 \* FAX (435) 789-1813 SCALE: 1" = 1000' DRAWN BY: Z.L. REVISED: 00-00-00



APD RECEIVED: 01/28/2009	API NO. ASSIGNED	): 43-047-40515
WELL NAME: E CHAPITA 84-03  OPERATOR: EOG RESOURCES, INC. ( N9550 )  CONTACT: KAYLENE GARDNER	PHONE NUMBER: 435	5-781-9111
PROPOSED LOCATION:	INSPECT LOCATN BY	·: / /
NWNE 03 090S 230E SURFACE: 0995 FNL 1768 FEL	Tech Review In	nitials Date
BOTTOM: 0995 FNL 1768 FEL	Engineering	:
COUNTY: UINTAH	Geology	
LATITUDE: 40.06923 LONGITUDE: -109.3093 UTM SURF EASTINGS: 644176 NORTHINGS: 4436601	Surface	:
FIELD NAME: NATURAL BUTTES (630)  LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-01304  SURFACE OWNER: 1 - Federal	PROPOSED FORMATION COALBED METHANE WE	
Plat  Pond: Fod[1] Ind[] Sta[] Fee[]	LOCATION AND SITING:  R649-2-3.  Unit:  R649-3-2. General Siting: 460 From Qtr/Qt  R649-3-3. Exceptio  ✓ Drilling Unit Board Cause No: Eff Date: Siting: 460 € Cause  R649-3-11. Directi	179-15 7-17-2008 Lease boundars
COMMENTS:  STIPULATIONS:  1. Seden Capper	ov(C)	ė <sub>5</sub>



API Number: 4304740515 Well Name: E CHAPITA 84-03

Township 09.0 S Range 23.0 E Section 03

**Meridian: SLBM**Operator: EOG RESOURCES, INC.

Map Prepared:









# State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

#### Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

January 29, 2009

EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078

Re:

East Chapita 84-03 Well, 995' FNL, 1768' FEL, NW NE, Sec. 3, T. 9 South, R. 23 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40515.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

**Uintah County Assessor** 

Bureau of Land Management, Vernal Office



Operator:	EOG Reso	urces, Inc.	·		
Well Name & Number	East Chapita 84-03				
API Number:	43-047-40515				
Lease:	UTU01304	1 .			
Location: <u>NW NE</u>	Sec. 3	T. 9 South	<b>R.</b> <u>23 East</u>		

#### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

# 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

Form 3160-3 (August 2007)

# RECEIVE

**UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

JAN 2 1 2009

FORM APPROVED

# APPLICATION FOR PERMIT TO DRILL OR REENT RIM

OMB No. 1004-0136 Expires July 31, 2010

Lease Serial No UTU01304

APPLICATION FOR PERMIT	TO DRILL OR REENTED	6. If Indian, Allottee or Tribe Name
Ia. Type of Work: DRILL REENTER		7. If Unit or CA Agreement, Name and No.
lb. Type of Well: ☐ Oil Well 🔀 Gas Well 🗖 Oth	ner 🔲 Single Zone 🔀 Multiple Zone	8. Lease Name and Well No. EAST CHAPITA 84-03
	KAYLENE R GARDNER NE_GARDNER@EOGRESOURCES.COM	9. API Well No. 43 047 40515
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	TO. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well (Report location clearly and in accorded	l ance with any State requirements.*)	11. Sec., T., R., M., or Blk. and Survey or Area
At surface Lot 2 995FNL 1768FEL 40 At proposed prod. zone Lot 2 995FNL 1768FEL 40	.06922 N Lat, 109.31009 W Lon .06922 N Lat, 109.31009 W Lon	Sec 3 T9S R23E Mer SLB SME: BLM
14. Distance in miles and direction from nearest town or post 58.5 MILES SOUTH OF VERNAL	office*	12. County or Parish 13. State UINTAH UT
<ol> <li>Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 995</li> </ol>	16. No. of Acres in Lease 2451.31	17. Spacing Unit dedicated to this well
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 2780	19. Proposed Depth 9220 MD	20. BLM/BIA Bond No. on file  NM 2308
21. Elevations (Show whether DF, KB, RT, GL, etc. 4999 GL	22. Approximate date work will start	23. Estimated duration 45-DAYS
	24. Attachments	
The following, completed in accordance with the requirements of	of Onshore Oil and Gas Order No. 1, shall be attached t	o this form:
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest Sys SUPO shall be filed with the appropriate Forest Service Of</li> </ol>	Item 20 above).	ons unless covered by an existing bond on file (see aformation and/or plans as may be required by the
25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-8	Date 01/21/2009
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed)  Keer Kaveska	AUG <sup>ate</sup> 2 4 200
Assistant Field Manag :	Office VEDNAL CICLO OF	FICE
Conditions of approval, it any, are underson	olds legal or equitable title to those rights in the subject CE OF APPROVAL CONDITI	ONS OF APPROVAL ATTACHED
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212,	make it a crime for any person knowingly and willfully	to make to any department or agency of the United

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #66519 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal For EOG RESOURCES INC, Sent to the Vernal Committed to AFMSS for processing by GAIL JENKINS on 01/23/2009 (09GXJ21212 CEIVED

AUG 27 2009

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLANKER OF OUT GAS & MINING

NOS: 09-26-2008 086XJ 6610AE





### UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE**

**VERNAL, UT 84078** 

(435) 781-440(



## CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

**EOG** Resources Inc.

170 South 500 East

Location:

Lot 2, Sec. 3, T9S, R23E

Well No:

East Chapita 84-03

Lease No:

UTU-01304

API No:

43-047-40515

Agreement:

N/A

**OFFICE NUMBER:** 

(435) 781-4400

**OFFICE FAX NUMBER: (435) 781-3420** 

# A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit was processed using a 390 CX tied to NEPA EIS UT-080-2005-0010, approved 03/31/2008. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 03/31/2013 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

#### NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)		Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <u>ut_vn_opreport@blm.gov</u> .
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

#### SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO<sub>x</sub> per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO<sub>x</sub> per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

#### **SITE SPECIFIC COAs:**

- Prevent fill and stock piles from entering drainages.
- Improve the existing ditch from stake 6 to 8.
- Insert culvert at start of access road.
- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches, or gravel (from a private or commercial source) etc. shall be needed to control the erosion. Low-water crossings and culverts shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Bury pipelines at all low water crossings.
- Surface pipelines will be placed 5-10 feet outside of the borrow area.
- Surface pipelines will be placed in such a way that they will not wander into the borrow area.

Page 3 of 8 Well: East Chapita 84-03 8/14/2009

- Pipelines will be buried at all major road and drainage crossings.
- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.

## DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

#### SITE SPECIFIC DOWNHOLE COAs:

- The production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray Log shall be run from Total Depth to Surface.

#### Variances Granted

#### Air Drilling

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 75' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for truck/trailer mounted air compressors.
- Straight run blooie line. Variance granted for targeted "T's" at bends.
- Automatic igniter. Variance granted for igniter due to water mist.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

#### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

Page 5 of 8 Well: East Chapita 84-03 8/14/2009

- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily
  drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order
  No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a
  test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's
  log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the <u>top of cement</u> and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

#### **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - o Unit agreement and/or participating area name and number, if applicable.
  - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

Page 7 of 8 Well: East Chapita 84-03 8/14/2009

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior approval of
  the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
  approval of the BLM Vernal Field Office shall be obtained and notification given before resumption
  of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

Page 8 of 8 Well: East Chapita 84-03 8/14/2009

• Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

	FORM 9					
	STATE OF UTAH  DEPARTMENT OF NATURAL RESOURCES  DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-01304			
SUND	SUNDRY NOTICES AND REPORTS ON WELLS					
Do not use this form for propo bottom-hole depth, reenter plu DRILL form for such proposals	sals to drill new wells, significantly deepen e agged wells, or to drill horizontal laterals. Us	existing wells below current se APPLICATION FOR PERMIT TO	7.UNIT or CA AGREEMENT NAME:			
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 84-03			
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047405150000			
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna	al, UT, 84078 435 781-911	PHONE NUMBER: 1 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0995 FNL 1768 FEL			COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NWNE Section: 03	RP, RANGE, MERIDIAN: 5 Township: 09.0S Range: 23.0E Meridian: S		STATE: UTAH			
11.	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
	☐ ACIDIZE	ALTER CASING	CASING REPAIR			
NOTICE OF INTENT Approximate date work will start: 1/20/2010	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME			
1/20/2010	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE			
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION			
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK			
SPUD REPORT	☐ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION			
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON			
	☐ TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL			
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION			
	WILDCAT WELL DETERMINATION	OTHER	OTHER:			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.  Approved by the Utah Division of Oil, Gas and Mining  Date: January 25, 2010  By:						
NAME (PLEASE PRINT) Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	TITLE Operations Clerk				
SIGNATURE N/A		<b>DATE</b> 1/20/2010				



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

# Request for Permit Extension Validation Well Number 43047405150000

**API:** 43047405150000 **Well Name:** E CHAPITA 84-03

Location: 0995 FNL 1768 FEL QTR NWNE SEC 03 TWNP 090S RNG 230E MER S

**Company Permit Issued to:** EOG RESOURCES, INC.

**Date Original Permit Issued:** 1/29/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

are revision. Following is a checklist of some items related to the application, which should be verified.
<ul> <li>If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No</li> </ul>
<ul> <li>Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?</li> <li>Yes</li> <li>No</li> </ul>
• Has the approved source of water for drilling changed?   Yes  No
<ul> <li>Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul>
• Is bonding still in place, which covers this proposed well?   • Yes   Oil, Gas and Mining

**Signature:** Mickenzie Gates **Date:** 1/20/2010

**Title:** Operations Clerk **Representing:** EOG RESOURCES, INC.

January 25, 2010

	STATE OF UTAH							
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINI		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-01304					
SUND	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:							
	sals to drill new wells, significantly deepen e ugged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME:					
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 84-03					
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047405150000					
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna	al, UT, 84078 435 781-911	PHONE NUMBER: 1 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES					
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0995 FNL 1768 FEL			COUNTY: UINTAH					
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NWNE Section: 03	rp, RANGE, MERIDIAN: Township: 09.0S Range: 23.0E Meridian: S		STATE: UTAH					
11.	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA					
TYPE OF SUBMISSION		TYPE OF ACTION						
	ACIDIZE	ALTER CASING	CASING REPAIR					
NOTICE OF INTENT Approximate date work will start: 5/18/2010	✓ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME					
5/16/2010	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE					
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN [	FRACTURE TREAT	☐ NEW CONSTRUCTION					
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK					
	☐ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION					
SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON					
	☐ TUBING REPAIR	VENT OR FLARE	☐ WATER DISPOSAL					
DRILLING REPORT Report Date:	☐ WATER SHUTOFF [	SI TA STATUS EXTENSION	APD EXTENSION					
Report Date:	□ WILDCAT WELL DETERMINATION [	OTHER	OTHER:					
EOG Resources, Inc. Plan as per the atta	properted operations. Clearly show all perting respectfully requests authorizate the ched. Conductor size: Item 4 Figure see the attached revised Drill purposed changes.	tion to change the Drilling loat Equipment: Item 5						
	purposed changes.							
	Date: May 18, 2010  By:							
NAME (PLEASE PRINT) Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	TITLE Operations Clerk						
SIGNATURE N/A		<b>DATE</b> 5/18/2010						

# EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

## 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,976		Shale	
Mahogany Oil Bed Shale	2,617		Shale	
Wasatch	4,832	Primary	Sandstone	Gas
Chapita Wells	5,419	Primary	Sandstone	Gas
Buck Canyon	6,079	Primary	Sandstone	Gas
North Horn	6,625	Primary	Sandstone	Gas
KMV Price River	7,053	Primary	Sandstone	Gas
KMV Price River Middle	7,750	Primary	Sandstone	Gas
KMV Price River Lower	8,527	Primary	Sandstone	Gas
Sego	9,018		Sandstone	
TD	9,220			

Estimated TD: 9,220' or 200'± below TD Anticipated BHP: 5,035 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft  $\pm$  of the Green River Formation, with top at about 2,000 ft  $\pm$ .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

	<u>Hole</u>	<u>Length</u>	Size	<b>WEIGHT</b>	<u>Grade</u>	<b>Thread</b>	Rating	<b>Factor</b>	
<u>CASING</u>	<u>Size</u>						<b>Collapse</b>	<u>Burst</u>	<u>Tensile</u>
	20"	40 - 60'	14"	32.5#	A252			1880 PSI	10,000#
Conductor									
		0-2,300'							
Surface	12 1/4"	KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	<b>7-7/8</b> "	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note:  $12-\frac{1}{4}$ " surface hole will be drilled to a total depth of  $200^{\circ}\pm$  below the base of the Green River lost circulation zone and cased w/9- $\frac{5}{8}$ " as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

# EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

## 5. Float Equipment:

#### **Surface Hole Procedure (0'- 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

## **Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every **3rd** joint to 400' above the top of primary object. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

#### 6. MUD PROGRAM

#### Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' $\pm$  - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

# EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

## 7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- o EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

#### 8. EVALUATION PROGRAM:

**Logs:** Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

CBL/CCL/VDL/GR

# EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M..

# **UINTAH COUNTY, UTAH**

#### 9. <u>CEMENT PROGRAM:</u>

#### **Surface Hole Procedure (Surface - 2300'±):**

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI<sub>2</sub>, 3 lb/sx GR3

<sup>1</sup>/<sub>4</sub> #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCI<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2

gps water.

**Top Out**: As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18

ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

#### **Production Hole Procedure (2300'± - TD)**

**Lead:** 140 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

(cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 862 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note**: The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to  $200^{\circ}\pm$  above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to  $400^{\circ}\pm$  above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

#### 10. ABNORMAL CONDITIONS:

#### **Surface Hole (Surface - 2300'±):**

Lost circulation

#### Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

# EAST CHAPITA 84-03 NW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

## 11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

#### 12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

#### 13. Air Drilling Operations:

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

# DIVISION OF OIL, GAS AND MINING

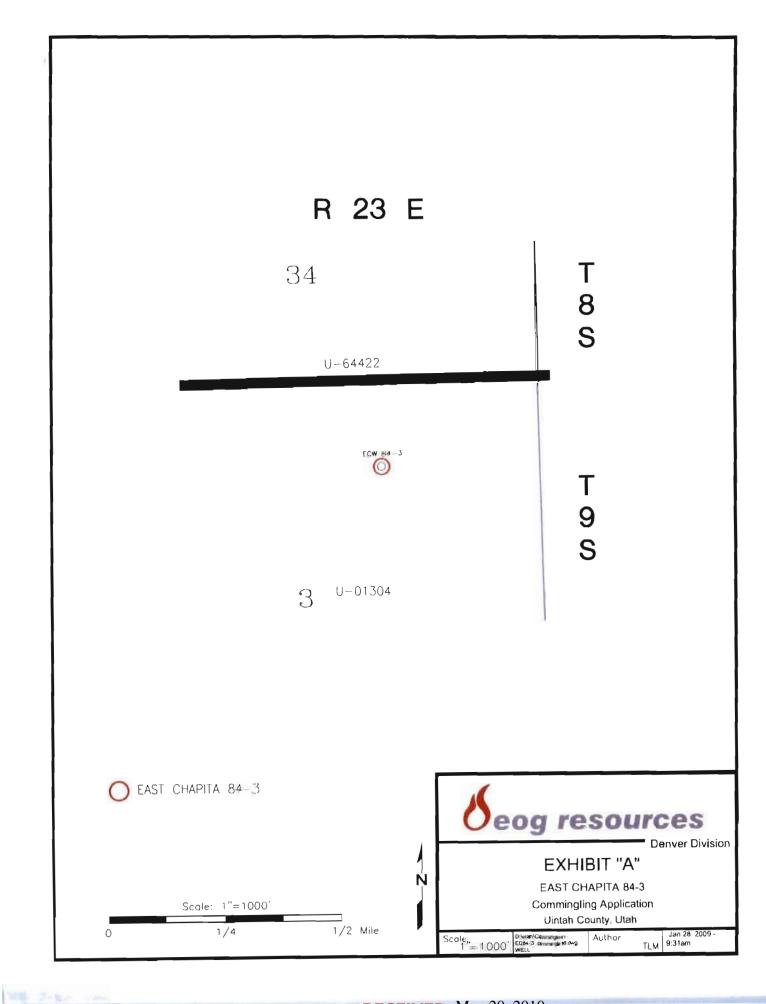
# **SPUDDING INFORMATION**

Name of Cor	npany:	EOG	RESO	URCES 1	INC	_		_
Well Name	•	<b>E C</b>	HAPITA	A 84-03				_
Api No <u>:</u>	43-047-40	515	Lea	se Type:_		FEDERAL	1	
Section 03	Township_	<b>09S</b> _Ra	nge	E_Cour	nty	UINTAH		
Drilling Cor	ntractor <u>CF</u>	RAIG'S R	OUSTA	BOUT S	SERV_	RIG #_	BUCKET	_
SPUDDE	D:							
	Date	05/27/20	010	_				
	Time	10:00 A	M					
	How	DRY						
Drilling will Commence:								
Reported by		]	KENT I	DAVENP	ORT			
Telephone #			(435) 82	8-8200				
Date	05/27/2010	Sigi	ned	CHD				

STATE OF UTAH  DEPARTMENT OF NATURAL RESOURCES  5.LEASE DESIGNATION AND	FORM 9
DIVISION OF OIL, GAS, AND MINING  UTU-01304	SERIAL NOMBER.
SUNDRY NOTICES AND REPORTS ON WELLS  6. IF INDIAN, ALLOTTEE OR	TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	AME:
1. TYPE OF WELL Gas Well  8. WELL NAME and NUMBER: E CHAPITA 84-03	
2. NAME OF OPERATOR: EOG Resources, Inc.  9. API NUMBER: 43047405150000	
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078  PHONE NUMBER: 9. FIELD and POOL or WILDO NATURAL BUTTES	CAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: UINTAH UINTAH	
Qtr/Qtr: NWNE Section: 03 Township: 09.0S Range: 23.0E Meridian: S  STATE: UTAH	
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION TYPE OF ACTION	
☐ ACIDIZE ☐ ALTER CASING ☐ CASING REPAIR	
□ NOTICE OF INTENT □ CHANGE TO PREVIOUS PLANS □ CHANGE TUBING □ CHANGE WELL NAME Approximate date work will start:	
☐ CHANGE WELL STATUS ☐ COMMINGLE PRODUCING FORMATIONS ☐ CONVERT WELL TYPE	
SUBSEQUENT REPORT Date of Work Completion:  DEEPEN	
5/27/2010	
SPUD REPORT PRODUCTION START OR RESUME RECLAMATION OF WELL SITE RECOMPLETE DIFFERENT Date of Spud:	T FORMATION
REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL TEMPORARY ABANDON	
☐ TUBING REPAIR ☐ VENT OR FLARE ☐ WATER DISPOSAL ☐ DRILLING REPORT ☐ ☐	
Report Date:  WATER SHUTOFF  SI TA STATUS EXTENSION  APD EXTENSION	
☐ WILDCAT WELL DETERMINATION ✓ OTHER: Drilling Operations	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.	
No activity has occurred since spud on May 27, 2010.  Accepted by the	
Utah Division of	
Oil, Gas and Mining	
FOR RECORD	
June 01, 20	10.4
NAME (PLEASE PRINT) Michelle Robles PHONE NUMBER Regulatory Assistant Regulatory Assistant	
SIGNATURE   DATE   6/1/2010	

	FORM 9					
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINI	NG	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-01304			
SUND	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:					
	sals to drill new wells, significantly deepen ex ıgged wells, or to drill horizontal laterals. Use		7.UNIT or CA AGREEMENT NAME:			
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 84-03			
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047405150000			
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna	al, UT, 84078 435 781-9111	PHONE NUMBER: Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0995 FNL 1768 FEL	TO DANCE MEDITANA		COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NWNE Section: 03	Township: 09.0S Range: 23.0E Meridian: S		STATE: UTAH			
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
	_ ACIDIZE	ALTER CASING	☐ CASING REPAIR			
✓ NOTICE OF INTENT  Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME			
5/27/2010	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE			
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION			
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK			
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION			
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON			
Jacob Spani	☐ TUBING REPAIR	VENT OR FLARE	✓ WATER DISPOSAL			
	_	-				
DRILLING REPORT Report Date:		SI TA STATUS EXTENSION	APD EXTENSION			
	WILDCAT WELL DETERMINATION	OTHER	OTHER:			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  EOG Resources, Inc. respectfully requests authorization for the disposal of produced water at the following locations: 1. NBU 20-20B SWD 2. CWU Accepted by the 550-30N SWD 3. CWU 2-29 SWD 4. Red Wash Evaporation Ponds Utah Division of 1,2,3,4,5,6&7 5. White River Evaporation Ponds 1&2 6. RNI Disposal 7. Hall, Gas and Mining SWD Wells ROW# UTU86010 & UTU897093  FOR RECORD ONLY						
Michelle Robles	<b>PHONE NUMBER</b> 307 276-4842	Regulatory Assistant				
SIGNATURE N/A		<b>DATE</b> 6/1/2010				

	FORM 9					
	DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-01304			
SUND	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:					
	sals to drill new wells, significantly deepen e ggged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME:			
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 84-03			
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047405150000			
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna	al, UT, 84078 435 781-911	PHONE NUMBER: 1 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0995 FNL 1768 FEL			COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NWNE Section: 03	P, RANGE, MERIDIAN: Township: 09.0S Range: 23.0E Meridian: S	3	STATE: UTAH			
11.	CK APPROPRIATE BOXES TO INDICATI	NATURE OF NOTICE, REPORT,	OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
	ACIDIZE	ALTER CASING	CASING REPAIR			
NOTICE OF INTENT Approximate date work will start: 5/20/2010	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME			
5, 15, 1515	☐ CHANGE WELL STATUS	✓ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE			
SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN ☐ OPERATOR CHANGE	☐ FRACTURE TREAT ☐ PLUG AND ABANDON	☐ NEW CONSTRUCTION ☐ PLUG BACK			
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION			
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON			
	☐ TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL			
☐ DRILLING REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION			
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforation of all wells on contiguous oil and gas leases or drilling units and an affidavit By: showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.						
NAME (PLEASE PRINT) Nanette Lupcho	<b>PHONE NUMBER</b> 435 781-9157	TITLE Regulatory Assistant				
SIGNATURE N/A		<b>DATE</b> 5/20/2010				



) ss

## COUNTY OF UINTAH )

# <u>VERIFICATION</u>

Nanette M. Lupcho, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

# EAST CHAPITA 84-03 995' FNL – 1768' FEL (NWNE) SECTION 3, T9S, R23E UINTAH COUNTY, UTAH

EOG Resources, Inc. is the only owner in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 20th day of May, 2010 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, and Bureau of Land Management.

Further affiant saith not.

Nanette M. Lupcho Regulatory Assistant

Subscribed and sworn before me this 20th day of May, 2010.

Notary Public

My Commission Expires: APM \ \ 7.0\2



Illo

	FORM 9					
	DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND M		5	5.LEASE DESIGNATI UTU-01304	ON AND SERIAL NUMBER:	
SUND	6. IF INDIAN, ALLO	TTEE OR TRIBE NAME:				
Do not use this form for propo bottom-hole depth, reenter plu DRILL form for such proposals	sals to drill new wells, significantly deepe ugged wells, or to drill horizontal laterals.	en exist Use Al	ing wells below current PPLICATION FOR PERMIT TO	7.UNIT or CA AGREE	MENT NAME:	
1. TYPE OF WELL Gas Well				8. WELL NAME and I E CHAPITA 84-03	NUMBER:	
2. NAME OF OPERATOR: EOG Resources, Inc.				<b>9. API NUMBER:</b> 43047405150000		
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna	al, UT, 84078 435 781-9		HONE NUMBER: ext	9. FIELD and POOL ON NATURAL BUTTES	or WILDCAT:	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0995 FNL 1768 FEL QTR/QTR, SECTION, TOWNSHI	IP, RANGE, MERIDIAN:			COUNTY: UINTAH STATE:		
Qtr/Qtr: NWNE Section: 03	Township: 09.0S Range: 23.0E Meridian	n: S		UTAH		
CHE	CK APPROPRIATE BOXES TO INDICA	ATE N	ATURE OF NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION			TYPE OF ACTION			
NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE ☐ CHANGE TO PREVIOUS PLANS	_	ALTER CASING CHANGE TUBING	☐ CASING REPA☐ CHANGE WELI		
SUBSEQUENT REPORT	CHANGE WELL STATUS	_	COMMINGLE PRODUCING FORMATIONS	CONVERT WE		
Date of Work Completion:	☐ DEEPEN☐ OPERATOR CHANGE	_	FRACTURE TREAT PLUG AND ABANDON	☐ NEW CONSTR	UCTION	
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	_	RECLAMATION OF WELL SITE		DIFFERENT FORMATION	
	REPERFORATE CURRENT FORMATION  TUBING REPAIR	_	SIDETRACK TO REPAIR WELL VENT OR FLARE	☐ WATER DISPO		
✓ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ <b>s</b>	SI TA STATUS EXTENSION	APD EXTENSI	ON	
7/1/2010	☐ WILDCAT WELL DETERMINATION		OTHER	OTHER:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  Please see the attached well chronology report for the referenced well showing all activity up to 7/1/2010.  Accepted by the Utah Division of Oil, Gas and Mining  FOR RECURDONLY						
NAME (PLEASE PRINT) Michelle Robles	<b>PHONE NUMBE</b> 307 276-4842	R	<b>TITLE</b> Regulatory Assistant			
SIGNATURE N/A			<b>DATE</b> 7/1/2010			

## WELL CHRONOLOGY REPORT

Report Generated On: 07-01-2010

Well Name	ECW 084-03	Well Type	DEVG	Division	DENVER	
Field	CHAPITA DEEP	API#	43-047-40515	Well Class	DRIL	
County, State	UINTAH, UT	Spud Date	06-28-2010	Class Date		
Tax Credit	N	TVD / MD	9,220/ 9,220	Property #	063929	
Water Depth	0	Last CSG	9.625	Shoe TVD / MD	2,601/2,601	
KB / GL Elev	5,012/5,001					
Location	Section 3, T9S, R23E, NWNE, 995 FNL & 1768 FEL					

Event No	1.0	Description	on DRILL & COMPLI	ETE	
Operator	EOG RESOURO	CES, INC WI %	100.0	NRI %	84.75
AFE No	306587	AFE Tot	al 1,517,400	DHC / CWC	601,600/915,800
Rig Contr	TRUE	Rig Name TR	UE #34 Start Date	01–27–2010 <b>Rele</b>	ase Date 07–05–2010
01-27-2009	Reported By	SHEILA MAL	LOY		
DailyCosts: D	rilling \$0	(	Completion \$0	Daily Total	\$0
Cum Costs: D	rilling \$0	(	Completion \$0	Well Total	\$0
MD	0 <b>TVD</b>	0 Progress	0 Days	0 <b>MW</b> 0	.0 <b>Visc</b> 0.0
Formation:		<b>PBTD</b> : 0.0	Perf:	PKR	<b>Depth:</b> 0.0

Activity at Report Time: LOCATION DATA

Start End Hrs Activity Description 06:00 06:00 24.0 LOCATION DATA

995' FNL & 1768' FEL, LOT 2 (NW/NE)

SECTION 3, T9S, R23E UINTAH COUNTY, UTAH

LAT 40.069219, LONG 109.310089 (NAD 83) LAT 40.069253, LONG 109.309411 (NAD 27)

TRUE #34

OBJECTIVE: 9220' TD, MESAVERDE

DW/GAS

EAST CHAPITA PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD

LEASE: U-01304

ELEVATION: 4999.4' NAT GL, 5000.5' PREP GL (DUE TO ROUNDING THE PREP GL IS 5001'), 5020' KB (19')

EOG WI 100%, NRI 84.75%

05–19–2010 Reported By TERRY CSERE

Main	DailyCosts: Drilling	\$75,000	Completion	\$0		Daily Total	\$75,000	
Part	<b>Cum Costs: Drilling</b>	\$75,000	Completion	\$0		Well Total	\$75,000	
Note	<b>MD</b> 0	TVD 0 Pro	ogress 0	Days	0	<b>MW</b> 0.0	Visc	0.0
Start	Formation:	<b>PBTD</b> : 0.0		Perf:		PKR De	<b>epth:</b> 0.0	
06-00	Activity at Report Ti	ime: BUILD LOCATION						
Daily Costs   Drilling   Stock   St	Start End	Hrs Activity Description	on					
Paily Cost   Filling   S   Completion   S   Paily Total   S   S   S   S   S   S   S   S   S	06:00 06:00	24.0 START LOCATION	BUILD.					
No	05-20-2010 R	eported By TERRY	CSERE					
MD	DailyCosts: Drilling	\$0	Completion			Daily Total	\$0	
Perf	<b>Cum Costs: Drilling</b>	\$75,000	Completion	\$0		Well Total	\$75,000	
Start   Start   Bar	<b>MD</b> 0	TVD 0 Pro	ogress 0	Days	0	<b>MW</b> 0.0	Visc	0.0
Start	Formation:	<b>PBTD</b> : 0.0		Perf:		PKR Do	<b>epth:</b> 0.0	
Def   Def	Activity at Report T	ime: BUILD LOCATION						
Desiry Cost   Desiry   Desi	Start End	Hrs Activity Description	on					
Paily Cost   Paily   Paily	06:00 06:00	24.0 LOCATION 10% CC	OMPLETE.					
Cum Cost: Drilling         S75.000         Completion         S0         Well Total         \$75.000           MD         0         Days         0         MW         0.0         Vision           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Start         End         Hrs         Activity Description           06:00         06:00         Daily Total         \$0           Daily Total         \$0         Daily Total         \$0           MD         0         Prf:         PKR Depth: 0.0         O.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Start         End         Hrs         Completion         \$0         Daily Total         \$0           Daily Cost:         PERF Depth: 0.0         Daily Cost:         PERF Depth: 0.0         Daily Cost: <th< td=""><td>05-21-2010 R</td><td>eported By TERRY</td><td>CSERE</td><td></td><td></td><td></td><td></td><td></td></th<>	05-21-2010 R	eported By TERRY	CSERE					
MD	DailyCosts: Drilling	\$0	Completion	\$0		<b>Daily Total</b>	\$0	
Part	<b>Cum Costs: Drilling</b>	\$75,000	Completion	\$0		Well Total	\$75,000	
Start   End   Of-00   Of-00	<b>MD</b> 0	TVD 0 Pro	ogress 0	Days	0	<b>MW</b> 0.0	Visc	0.0
Start	Formation:	<b>PBTD</b> : 0.0		Perf:		PKR Do	<b>epth:</b> 0.0	
06:00         24.0 LOCATION 50% COMPLETE.           05-24-2010         Report By         TERRY CSERE           Daily Costs: Drilling         \$0         Daily Total         \$0           Completion         \$0         Daily Total         \$0           MD         0         Perf:         PERR Depth: 0.0         Vision         O.0         PERR Depth: 0.0         PERR Depth: 0.0         PERR Depth: 0.0         PERR Depth: 0.0         Daily Costs: Drilling         Report By         TERRY CSERE         Daily Costs: Drilling         \$0         Daily Total         \$0         Daily Total         \$0         Completion         \$0         Daily Total         \$0         Daily Total         \$0         Completion         \$0         Daily Total         \$0         Daily Total         \$0         Completion         \$0         Daily Total         \$0         Daily Total         \$0         Daily Total <td>Activity at Report Ti</td> <td>ime: BUILD LOCATION</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Activity at Report Ti	ime: BUILD LOCATION						
Daily Costs   Drilling   S    Completion   S    Daily Total   S	Start End	Hrs Activity Description	on					
Daily Costs: Drilling         \$0         Daily Total         \$0	06:00 06:00	24.0 LOCATION 50% CC	OMPLETE.					
Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0         Visc         PKR Depth: 0.0           Start         End         Hrs         Activity Description         \$0         Daily Total         \$0           06:00         06:00         24.0         LOCATION 60% COMPLETE.         \$0         Daily Total         \$0           Completion         \$0         Daily Total         \$0           Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity Description         PERF Depth: 0.0         PERF Depth: 0.0	05-24-2010 R	eported By TERRY	CSERE					
MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time:         BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION 60% COMPLETE.         SOMPLETE.           Daily Costs: Drilling         Sometime in the color	DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0	
Formation   For	<b>Cum Costs: Drilling</b>	\$75,000	Completion	\$0		Well Total	\$75,000	
Start   End   Hrs   Activity Description	<b>MD</b> 0	TVD 0 Pro	ogress 0	Days	0	<b>MW</b> 0.0	Visc	0.0
Start   End   Hrs   Activity Description	Formation :	<b>PBTD</b> : 0.0		Perf:		PKR Do	epth: 0.0	
06:00         06:00         24.0 LOCATION 60% COMPLETE.           05-25-2010 Reported By TERRY CSERE           Completion \$0         Daily Total \$0           Cum Costs: Drilling \$75,000         Completion \$0         Well Total \$75,000           MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0           Formation: PBTD: 0.0 Perf: PKR Depth: 0.0           Activity at Report Time: BUILD LOCATION           Start End Hrs Activity Description           06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.	Activity at Report Ti	ime: BUILD LOCATION						
05-25-2010         Reported By         TERRY CSERE           Daily Costs: Drilling         \$0         Completion         \$0         Daily Total         \$0           Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time: BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION COMPLETE. WORKING ON ACCESS ROAD.	Start End	Hrs Activity Description	on					
Daily Costs: Drilling Cum Costs: Drilling Cum Costs: Drilling S75,000         Completion S0         Well Total S75,000         \$75,000           MD         0 TVD         0 Progress D Days Depth: 0.0         0 MW DEPTH: 0.0         Visc Depth: 0.0         0.0           Formation: PBTD: 0.0 Perf: PKR Depth: 0.0           Activity at Report Time: BUILD LOCATION           Start         End         Hrs Activity Description           06:00         06:00         24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.	06:00 06:00	24.0 LOCATION 60% CC	OMPLETE.					
Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time:         BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION COMPLETE. WORKING ON ACCESS ROAD.	05-25-2010 R	eported By TERRY	CSERE					
Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time:         BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION COMPLETE. WORKING ON ACCESS ROAD.	DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0	
MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time:         BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION COMPLETE. WORKING ON ACCESS ROAD.	_	\$75,000	-	\$0		-	\$75,000	
Formation: PBTD: 0.0 Perf: PKR Depth: 0.0  Activity at Report Time: BUILD LOCATION  Start End Hrs Activity Description  06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.	_		_	Davs	0	<b>MW</b> 0.0	Visc	0.0
Activity at Report Time: BUILD LOCATION  Start End Hrs Activity Description  06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.				•				
Start End Hrs Activity Description  06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.							-	
06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.			on					
05-26-2010 Reported By TERRY CSERE				N ACCESS RO	AD.			
	05-26-2010 R							

DailyCosts: Drilling	\$0		Com	pletion	\$0		Daily	y Total	\$0	
Cum Costs: Drilling	\$75,00	0	Com	pletion	\$0		Well	Total	\$75,000	
<b>MD</b> 0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:		<b>PBTD</b> : 0	0.0		Perf:			PKR De	<b>pth:</b> 0.0	
Activity at Report T	ime: LOCATIO	N BUILD								
Start End	Hrs Acti	ivity Desc	ription							
06:00 06:00	24.0 WOI	RKING ON	N ACCESS ROAI	D.						
05-27-2010 F	Reported By	TE	ERRY CSERE							
DailyCosts: Drilling	\$0		Com	pletion	\$0		Daily	y Total	\$0	
<b>Cum Costs: Drilling</b>	\$75,00	0	Com	pletion	\$0		Well	Total	\$75,000	
<b>MD</b> 0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:		<b>PBTD</b> : 0	0.0		Perf:			PKR De	<b>pth:</b> 0.0	
Activity at Report T	ime: BUILD LO	OCATION								
Start End	Hrs Acti	ivity Desc	ription							
06:00 06:00	24.0 STA	RTING CL	OSED LOOP SY	YSTEM.						
05-28-2010 F	Reported By	TE	ERRY CSERE/K	ENT DEV	ENPORT					
DailyCosts: Drilling	\$0		Com	pletion	\$0		Daily	y Total	\$0	
	\$75,00	0	Com	pletion	\$0		Well	Total	\$75,000	
<b>Cum Costs: Drilling</b>			D	0	Days	0	MW	0.0	Visc	0.0
Cum Costs: Drilling MD 60	TVD	60	Progress	O	24,5					
_		60 <b>PBTD:</b> 0	_	Ü	Perf:			PKR De	<b>pth:</b> 0.0	
<b>MD</b> 60		<b>PBTD</b> : 0	0.0		=			PKR De	<b>pth:</b> 0.0	
MD 60 Formation:	ime: SPUD NO	<b>PBTD</b> : 0	0.0 ON/BUILD LOC		=			PKR De	<b>pth:</b> 0.0	
MD 60  Formation: Activity at Report T	ime: SPUD NO  Hrs Acti  24.0 CRA  CEM	PBTD: 0 OTIFICATION OTIFICATIO	0.0 ON/BUILD LOC	CATION VICE SPUI I READY I	Perf:  DA 20" HOLE MIX. CAROL	DANIELS	W/UDOGM	M. SET +/-60	)' OF 14" CONI	
MD 60  Formation: Activity at Report T  Start End	ime: SPUD NO  Hrs Acti  24.0 CRA  CEM  AND	PBTD: 0 OTIFICATION OTIFICATIO	0.0 ON/BUILD LOC Cription STABOUT SERV SURFACE WITH	CATION VICE SPUI I READY I Y EMAIL (	Perf:  DA 20" HOLE MIX. CAROL	DANIELS	W/UDOGM	M. SET +/-60	)' OF 14" CONI	
MD 60 Formation: Activity at Report T Start End 06:00 06:00	ime: SPUD NO  Hrs Acti  24.0 CRA  CEM  AND	PBTD: 0 OTIFICATION OTIFICATIO	0.0  ON/BUILD LOC  Cription  STABOUT SERV SURFACE WITH  AS NOTIFIED BY	CATION VICE SPUI I READY I Y EMAIL (	Perf:  DA 20" HOLE MIX. CAROL	DANIELS	W/UDOGM	M. SET +/-60	)' OF 14" CONI	
MD 60 Formation: Activity at Report T Start End 06:00 06:00	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND CLO  CLO	PBTD: 0 OTIFICATION OTIFICATIO	DON/BUILD LOC CRIPTION  STABOUT SERVE SURFACE WITH AS NOTIFIED BY  P 50% COMPLE  ERRY CSERE	CATION VICE SPUI I READY I Y EMAIL (	Perf:  DA 20" HOLE MIX. CAROL	DANIELS	W/UDOGM 09:41 AM.	M. SET +/-60	)' OF 14" CONI	
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND CLO  Reported By \$0	PBTD: 0 OTIFICATION OTIFICATIO	DON/BUILD LOC PRIPATION  STABOUT SERVE SURFACE WITH  SOME NOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com	CATION VICE SPUI I READY I Y EMAIL (	Perf:  D A 20" HOLE  MIX. CAROL  OF SPUD ON	DANIELS	W/UDOGM 09:41 AM. Dail	M. SET +/–60 WAS NOTIFI	)' OF 14" CONI ED BY PHONE	
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00  06-01-2010 F  DailyCosts: Drilling	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND CLO  Reported By \$0	PBTD: 0 OTIFICATION OTIFICATIO	DON/BUILD LOC PRIPATION  STABOUT SERVE SURFACE WITH  SOME NOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com	CATION VICE SPUI I READY I Y EMAIL ( ETE.	Perf:  D A 20" HOLE MIX. CAROL DF SPUD ON  \$0	DANIELS	W/UDOGM 09:41 AM. Dail	M. SET +/–60 WAS NOTIFI y <b>Total</b>	O' OF 14" CONI ED BY PHONE	
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00  06-01-2010 F  DailyCosts: Drilling Cum Costs: Drilling	Fime: SPUD NO  Hrs Acti  24.0 CRA CEM AND  CLO  Reported By  \$0 \$75,00  TVD	PBTD: 0 OTIFICATION INTERPRETATION I	DON/BUILD LOC Pription STABOUT SERV SURFACE WITH AS NOTIFIED BY P 50% COMPLE ERRY CSERE Com Progress	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Appletion  appletion	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0 \$0	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. Daily Well	M. SET +/–60 WAS NOTIFI y Total Total	\$0 \$0 \$75,000 <b>Visc</b>	E MESSAGI
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00  06-01-2010 F  DailyCosts: Drilling Cum Costs: Drilling	Hrs Acti 24.0 CRA CEM AND CLO Reported By \$0 \$75,00	PBTD: 0 OTIFICATION INVITED TO SECULO SECUE SECULO	DON/BUILD LOC Pription STABOUT SERV SURFACE WITH AS NOTIFIED BY P 50% COMPLE ERRY CSERE Com Progress	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Appletion  appletion	Perf:  DA 20" HOLE MIX. CAROL OF SPUD ON  \$0 \$0 Days	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. Daily Well	M. SET +/-60 WAS NOTIFI y Total Total	\$0 \$0 \$0 \$75,000 <b>Visc</b>	E MESSAGE
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00  06-01-2010 F  DailyCosts: Drilling MD 60  Formation: Activity at Report T  Start End	Fime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$75,00  TVD  Fime: BUILD LO  Hrs Acti	PBTD: 0 OTIFICATION IVITY Desc LIGS ROUS MENT TO S O BLM WA DSED LOOD THE O 60 PBTD: 0 OCATION IVITY Desc	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERVE SURFACE WITH  SERVE SOMPLE  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Appletion  appletion	Perf:  DA 20" HOLE MIX. CAROL OF SPUD ON  \$0 \$0 Days	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. Daily Well	M. SET +/-60 WAS NOTIFI y Total Total	\$0 \$0 \$0 \$75,000 <b>Visc</b>	E MESSAGI
MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-01-2010 F DailyCosts: Drilling MD 60 Formation: Activity at Report T Start End 06:00 06:00	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$75,00  TVD  TVD  Time: BUILD LO Hrs Acti 24.0 GEL	PBTD: 0 PTIFICATION INVITED TO SECULO	2.0 CON/BUILD LOCK CRIPTION STABOUT SERV SURFACE WITH AS NOTIFIED BY P 50% COMPLE ERRY CSERE Com Com Progress 0.0 Cription LOOP TODAY.	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Appletion  appletion	Perf:  DA 20" HOLE MIX. CAROL OF SPUD ON  \$0 \$0 Days	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. Daily Well	M. SET +/-60 WAS NOTIFI y Total Total	\$0 \$0 \$0 \$75,000 <b>Visc</b>	E MESSAGI
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06-01-2010 F  DailyCosts: Drilling MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06-02-2010 F	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$75,00  TVD  TVD  TVD  CHrs Acti 24.0 GEL  Reported By	PBTD: 0 PTIFICATION INVITED TO SECULO	DON/BUILD LOC CRIPTION  STABOUT SERVE SURFACE WITH SOUT SERVE SURFACE WITH SOUT SERVE SURFACE WITH SOUT SERVE SURFACE WITH SOUT SERVE P 50% COMPLE ERRY CSERE  Comp Progress DON  Cription LOOP TODAY. ERRY CSERE	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Inpletion 0	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Days  Perf:	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. <b>Dail</b> y <b>Well</b> <b>MW</b>	M. SET +/-60 WAS NOTIFI  y Total Total 0.0 PKR De	\$0 \$0 \$0 \$75,000 <b>Visc</b> <b>pth:</b> 0.0	E MESSAGI
MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-01-2010 F DailyCosts: Drilling MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-02-2010 F DailyCosts: Drilling	Fime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$775,00  TVD  Fime: BUILD LO Hrs Acti 24.0 GEL  Reported By \$0	PBTD: 0 OTIFICATION IVITY Desc AIGS ROUS MENT TO S O BLM WA OSED LOOD THE O 60 PBTD: 0 OCATION IVITY Desc AIGNOSED THE	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERVE SURFACE WITH  SENOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0  Cription  LOOP TODAY.  ERRY CSERE  Com	CATION VICE SPUIL READY IN EMAIL OF THE COMMENT OF	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Days Perf:	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM.  Daily Well MW	M. SET +/-60 WAS NOTIFI  y Total  0.0  PKR De	\$0 \$75,000 <b>Visc</b> <b>pth:</b> 0.0	E MESSAGI
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06-01-2010 F  DailyCosts: Drilling MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06-02-2010 F	Fime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$775,00  TVD  Fime: BUILD LO Hrs Acti 24.0 GEL  Reported By \$0	PBTD: 0 OTIFICATION IVITY Desc AIGS ROUS MENT TO S O BLM WA OSED LOOD THE O 60 PBTD: 0 OCATION IVITY Desc AIGNOSED THE	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERVE SURFACE WITH  SENOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0  Cription  LOOP TODAY.  ERRY CSERE  Com	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Inpletion 0	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Days  Perf:	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM.  Daily Well MW	M. SET +/-60 WAS NOTIFI  y Total Total 0.0 PKR De	\$0 \$0 \$0 \$75,000 <b>Visc</b> <b>pth:</b> 0.0	E MESSAGE
MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-01-2010 F DailyCosts: Drilling MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-02-2010 F DailyCosts: Drilling Cum Costs: Drilling	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO Reported By \$0 \$75,00  TVD  TVD  Sime: BUILD LO Hrs Acti 24.0 GEL Reported By \$0 \$75,00 TVD	PBTD: 0 OTIFICATION IVITY Desc AIGS ROUS MENT TO S O BLM WA DISED LOOD THE O 60 PBTD: 0 OCATION IVITY Desc AIGNOSED THE O 60 60 CLOSED	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERV SURFACE WITH  S NOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0  Cription  LOOP TODAY.  ERRY CSERE  Com  Com  Progress	CATION VICE SPUIL READY IN EMAIL OF THE COMMENT OF	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Perf:  \$0  Days  Perf:	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM.  Daily Well MW	M. SET +/-60 WAS NOTIFI  y Total  0.0  PKR Dep  y Total  Total  0.0	\$0 \$75,000 <b>Visc</b> \$0 \$75,000 <b>Visc</b> \$0 \$75,000 <b>Visc</b>	E MESSAGE
MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-01-2010 F DailyCosts: Drilling MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-02-2010 F DailyCosts: Drilling	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO Reported By \$0 \$75,00  TVD  TVD  Sime: BUILD LO Hrs Acti 24.0 GEL Reported By \$0 \$75,00 TVD	PBTD: 0 OTIFICATION IVITY Desc LIGS ROUS LIGS	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERV SURFACE WITH  S NOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0  Cription  LOOP TODAY.  ERRY CSERE  Com  Com  Progress	CATION VICE SPUID READY PARAMETER.  The properties of the properti	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Days Perf:  \$0  \$0	DANIELS 5/26/10 @ 0	W/UDOGM 09:41 AM.  Daily  Well  MW  Daily  Well	M. SET +/-60 WAS NOTIFI  y Total  0.0  PKR De  y Total  Total	\$0 \$75,000 <b>Visc</b> \$0 \$75,000 <b>Visc</b> \$0 \$75,000 <b>Visc</b>	0.0

Start	End	Hrs	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION COMPLETE

06-14-2010	Re	ported By	Г	DAVID GREESON	1						
DailyCosts:	Drilling	\$236	,480	Com	pletion	\$0		Daily	Total	\$236,480	
<b>Cum Costs:</b>	Drilling	\$311	,480	Com	pletion	\$0		Well '	<b>Fotal</b>	\$311,480	
MD	2,614	TVD	2,614	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :			PBTD:	0.0		Perf:			PKR Der	oth: 0.0	

Activity at Report Time: WORT

#### Start End Hrs Activity Description

06:00 06:00

24.0 MIRU CRAIG'S AIR RIG #2 ON 6/7/2010. DRILLED 12–1/4" HOLE TO 2595' GL (2614' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR TO 1920', PUMP DRILLED TO 2595' GL. PARTIAL RETURNS THROUGHOUT DRILLING. RAN 61 JTS (2582.2') OF 9–5/8", 36.0#, J–55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2601.2' KB. RAN 200' 1" PIPE DOWN BACK SIDE. RDMO CRAIGS RIG #2.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 4500 PSIG. PUMPED 190 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLS) OF PREMIUM LEAD CEMENT WITH 0.2% VARSET 2% CALSEAL, AND 2% EX-1. MIXED LEAD @ 10.5 PPG W/ YIELD OF 4.1 CFS.PARTIAL RETURNS OF WATER TO SURFACE LOST RETURNS AFTER FIRST 90 BBL'S PUMPED. TAIL: MIXED AND PUMPED 300 SACKS (64 BBLS) OF PREMIUM CEMENT W/ 2% CACL. MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.2 CF/SX. DISPLACED CEMENT W/196 BBLS FRESH WATER. BUMPED PLUG W/897 PSI @ 07:05, 6/12/10. FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE.

TOP JOB # 1: DOWN 200' OF 1' PIPE, MIXED & PUMPED 125 SX (25 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. WAIT ON CEMENT 3 HOURS.

TOP JOB # 2: MIXED & PUMPED 125 SX (25 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX.

TOP JOB # 3: MIXED & PUMPED 150 SX (30 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND CEMENT STOOD AT SURFACE. RELEASE HALLIBURTON.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG 2 TOOK SURVEYS WHILE DRILLING HOLE @ 1500° = 1.5 DEGREE, 2010° = 1.75 DEGREE & 2580° = 4.5 DEGREE.

KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 6/9/2010 @ 03:30 PM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING AND CEMENT VIA PHONE ON 6/9/10 AT 03:30 PM.

06-28-20	010 R	eported	By J	OHNNY TURNI	ER						
DailyCos	ts: Drilling	9	\$110,614	Cor	npletion	\$0		Daily	Total	\$110,614	
Cum Cos	sts: Drilling	9	\$426,772	Cor	npletion	\$0		Well '	Total	\$426,772	
MD	2,614	TVD	2,614	Progress	0	Days	0	MW	9.8	Visc	35.0
Formatio	n:		PBTD:	0.0		Perf:			PKR De	<b>pth:</b> 0.0	
Activity a	at Report T	ime: PU	ВНА								
Start	End	Hrs	Activity Des	cription							

06:00	12:00	6.0 RIG DOWN & MOVE 12.2 MILES.
12:00	00:00	12.0 PRE RIG UP SAFETY MEETING, RIG UP ON ECW 84–03, RAISE DERRICK @ 16:30, TRUCKS RELEASED @ 17: 00.
00:00	00:30	0.5 WASH DOWN RAT HOLE. RIG ACCEPTED TO DAY WORK @ 00:01 HRS, 6/28/2010.
00:30	04:00	3.5 TEST BOP, PIPE RAMS, BLIND RAMS, CHOKE VALVES, MANIFOLD, FLOOR VALVES 5000#, ANNULAR 2500#.
04:00	04:30	0.5 TEST CASING 1500#.
04:30	05:00	0.5 SET WEAR BUSHING.
05:00	06:00	1.0 HOLD SAFETY MEETING, RIG UP WEATHERFORD & PICKUP BHA

NO INCIDENT, NO ACCIDENT

FULL CREWS

FUEL 8436 GALS, USED300 GALS

06-29-20	)10 R	eported l	By JC	HNNY TURN	ER						
DailyCos	ts: Drilling	\$	25,004	Cor	mpletion	\$0		Daily	Total	\$25,004	
Cum Cos	ts: Drilling	\$	451,776	Cor	mpletion	\$0		Well T	Total	\$451,776	
MD	4,220	TVD	4,220	Progress	1,606	Days	1	MW	9.3	Visc	37.0
Formatio	n:		<b>PBTD</b> : 0	.0		Perf:			PKR De <sub>l</sub>	<b>pth:</b> 0.0	
Activity a	t Report T	ime: DRI	LLING @ 4220'								
Start	End	Hrs	<b>Activity Desc</b>	ription							
06:00	07:30	1.5	PICK UP BHA	& DRILLPIPE	(TAG CEN	MENT @ 2515	').				

Start	End	Hrs	Activity Description
06:00	07:30	1.5	PICK UP BHA & DRILLPIPE (TAG CEMENT @ 2515').
07:30	08:00	0.5	INSTALL ROTATING HEAD RUBBER & TORQUE KELLY.
08:00	09:30	1.5	DRILL CEMENT/FLOAT EQUIP. & 15' OF FORMATION.
09:30	10:00	0.5	F.I.T. @ 2625', 232# (HELD) EMW 11#.
10:00	15:00	5.0	DRILL 390', ROP 78 FPH, WOB 18–20, SPP 1650, DIFF. 150–250, RPM 45–60, MM 76, MUD WEIGHT 9.3, VIS 38, FORMATION– MAHOGANY.
15:00	15:30	0.5	SERVICE RIG.
15:30	19:00	3.5	DRILL 309', ROP 88 FPH, WOB 18–22, SPP 1500, DIFF. 100–150, RPM 45–65, MM 76, MUD WEIGHT 9.4, VIS 37, FORMATION– MAHOGANY.
19:00	19:30	0.5	SURVEY @ 3245' .75 DEGREE.
19:30	06:00	10.5	DRILL, 896', ROP 85 FPH, WOB 20–25, SPP 1675, DIFF. 200–300, RPM 50–60, MM 76, MUD WEIGHT 9.4, VIS 38, FORMATION–MAHOGANY.

NO INCIDENT NO ACCIDENT

FULL CREWS

BOP DRILLS, BOTH CREWS COM CHECK DRILLING

FUEL 7410 GALS, USED 1026 GALS

06:00 SPUD 7 7/8" HOLE @ 10:00 HRS, 6/28/10.

06-30-2010	Re	eported By	JO	OHNNY TURNI	ER						
DailyCosts: I	Prilling	\$30,7	703	Con	npletion	\$0		Daily	Total	\$30,703	
Cum Costs: I	Orilling	\$482	,479	Con	npletion	\$0		Well '	<b>Fotal</b>	\$482,479	
MD	5,690	TVD	5,690	Progress	1,470	Days	2	MW	9.4	Visc	38.0
Formation:			<b>PBTD</b> : (	0.0		Perf:			PKR Dep	oth: 0.0	

Activity at Report Time: DRILLING @ 5690'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL 4220'–4388', 168', ROP 112 FPH, WOB 20–25, SPP 1800, DIFF. 200–400, RPM 45–60, MM76,MUD WEIGHT 9.4, VIS 38, FORMATION– MOHOGANY 2625'.
07:30	08:00	0.5	SURVEY @ 4303 .5 DEGREE.
08:00	15:00	7.0	DRILL 4388'–4919', 531', ROP 75.8 FPH, WOB 20–25, SPP 2200, DIFF. 70–350, RPM 40–50, MM 76, MUD WEIGHT 9.6, VIS 38, FORMATION–WASATCH 4840'.
15:00	15:30	0.5	SERVICE RIG.
15:30	06:00	14.5	DRILL 4919'–5690', 766', ROP 53.1 FPH, WOB 20–25, SPP 2100, DIFF. 150–350, RPM 45–60, MM 76, MUD WEIGHT 9.7 VIS 40, FORMATION–CHAPITA WELLS 5427'.
			DERRICK MAN ON DAYLIGHTS ELIAS ENTZ, WAS PUTTING A WATER HOSE ON RADATOR ON #1 PUMP & PUT HIS LEFT ARM ON EXHAUST CAUSING A BURN, FIRST AID ONLY
			FULL CREWS
			COM CHECK DRILLING

FUEL 5839 GALS, USED 1397 07-01-2010 Reported By GLEN PRUET \$32,981 **Daily Total** DailyCosts: Drilling Completion \$0 \$32,981 **Cum Costs: Drilling** \$0 **Well Total** \$515,460 \$515,460 Completion

 MD
 6,640
 TVD
 6,640
 Progress
 950
 Days
 3
 MW
 9.7
 Visc

 Formation:
 PBTD: 0.0
 Perf:
 PKR Depth: 0.0

Activity at Report Time: DRLG @ 6640'

Activity a	t Keport II.	inc. DRL	G & 00+0
Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL 5690' TO 6201'. 511' $/$ 56.77 FPH. 45 RPM $+$ 100 RPM ON MOTOR. WOB 22K . GPM 454. PP 2200 PSI. FUNC. COM/DRLG. BUCK CANYON.
15:00	15:30	0.5	SERVICE RIG.
15:30	06:00	14.5	DRILL 6201' TO 6640. 439' / 30.27 FPH. $52$ RPM + $100$ RPM ON MOTOR. WOB 24K. GPM 454. PP 2100 PSI. FUNC. COM. DRLG NORTH HORN.
			NO ACCIDENTS
			SAFETY MEETINGS, LOOSE CLOTHING AND JEWELRY ON RIG.
			FULL CREWS
			FUEL ON HAND 4674. FUEL USED 1165.
			CURRENT MUD WT. 9.9 PPG. VIS 38.
			FORMATION TOPS BUCK CANYON 6087', NORTH HORN 6633'.
			WEATHER 66 DEG. DEW PT. 48 DEG. WIND W 6 MPH. VISIBILTY 10 M

39.0

	STATE OF UTAH			FORM 9			
	DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND M		3	5.LEASE DES	SIGNATION AND SERIAL NUMBER:		
SUND	RY NOTICES AND REPORT	S ON	I WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
	sals to drill new wells, significantly deepe agged wells, or to drill horizontal laterals.		7.UNIT or CA	A AGREEMENT NAME:			
1. TYPE OF WELL Gas Well				8. WELL NAM E CHAPITA	4E and NUMBER: 84-03		
2. NAME OF OPERATOR: EOG Resources, Inc.				<b>9. API NUME</b> 430474051			
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna			NUMBER: Ext	9. FIELD and	POOL or WILDCAT: BUTTES		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0995 FNL 1768 FEL	TO DANCE MEDITIAN			COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NWNE Section: 03	Township: 09.0S Range: 23.0E Meridian	n: S		STATE: UTAH			
11. CHE	CK APPROPRIATE BOXES TO INDIC	ATE N	ATURE OF NOTICE, REPORT,	OR OTHER	DATA		
TYPE OF SUBMISSION			TYPE OF ACTION				
	ACIDIZE		ALTER CASING	☐ casi	NG REPAIR		
☐ NOTICE OF INTENT	☐ CHANGE TO PREVIOUS PLANS		CHANGE TUBING	Сна	NGE WELL NAME		
Approximate date work will start:	☐ CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS	CON	VERT WELL TYPE		
✓ SUBSEQUENT REPORT	DEEPEN		FRACTURE TREAT	□ NEW	CONSTRUCTION		
Date of Work Completion: 7/24/2010	OPERATOR CHANGE		PLUG AND ABANDON	PLUG	G BACK		
_	✓ PRODUCTION START OR RESUME		RECLAMATION OF WELL SITE	_	DMPLETE DIFFERENT FORMATION		
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL	_	PORARY ABANDON		
	TUBING REPAIR		VENT OR FLARE	_	ER DISPOSAL		
☐ DRILLING REPORT	WATER SHUTOFF		SI TA STATUS EXTENSION	_	EXTENSION		
Report Date:	_			_	EXTENSION		
	WILDCAT WELL DETERMINATION		OTHER	OTHER:			
The referenced wel	ompleted operations. Clearly show all p I was turned to sales on July summary report for drilling a on the subject well.	24, and c	2010. Please see the completions performed (	Accepted Jtah Div I, Gas ar			
NAME (PLEASE PRINT) Michelle Robles	<b>PHONE NUMBE</b> 307 276-4842	≣R	<b>TITLE</b> Regulatory Assistant				
SIGNATURE N/A			<b>DATE</b> 7/27/2010				

## WELL CHRONOLOGY REPORT

Report Generated On: 07-27-2010

Well Name	ECW 084-03	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API#	43-047-40515	Well Class	COMP
County, State	UINTAH, UT	Spud Date	06-28-2010	Class Date	07-24-2010
Tax Credit	N	TVD / MD	9,220/ 9,220	Property #	063929
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/0
KB / GL Elev	5,012/5,001				
Location	Section 3, T9S, R23E, NWNE	E, 995 FNL & 1768 FE	IL .		

Event No	1.0	Description	on DRILL & COMPLI	ETE	
Operator	EOG RESOURO	CES, INC WI %	100.0	NRI %	84.75
AFE No	306587	AFE Tot	al 1,517,400	DHC / CWC	601,600/915,800
Rig Contr	TRUE	Rig Name TR	UE #34 Start Date	01–27–2010 <b>Rele</b>	ase Date 07–05–2010
01-27-2009	Reported By	SHEILA MAL	LOY		
DailyCosts: D	rilling \$0	(	Completion \$0	Daily Total	\$0
Cum Costs: D	rilling \$0	(	Completion \$0	Well Total	\$0
MD	0 <b>TVD</b>	0 Progress	0 Days	0 <b>MW</b> 0	.0 <b>Visc</b> 0.0
Formation:		<b>PBTD</b> : 0.0	Perf:	PKR	<b>Depth:</b> 0.0

Activity at Report Time: LOCATION DATA

Start End Hrs Activity Description 06:00 06:00 24.0 LOCATION DATA

995' FNL & 1768' FEL, LOT 2 (NW/NE)

SECTION 3, T9S, R23E UINTAH COUNTY, UTAH

LAT 40.069219, LONG 109.310089 (NAD 83) LAT 40.069253, LONG 109.309411 (NAD 27)

TRUE #34

OBJECTIVE: 9220' TD, MESAVERDE

DW/GAS

EAST CHAPITA PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD

LEASE: U-01304

ELEVATION: 4999.4' NAT GL, 5000.5' PREP GL (DUE TO ROUNDING THE PREP GL IS 5001'), 5020' KB (19')

EOG WI 100%, NRI 84.75%

05–19–2010 Reported By TERRY CSERE

Main	DailyCosts: Drilling	\$75,000	Completion	\$0		Daily Total	\$75,000	
Part	<b>Cum Costs: Drilling</b>	\$75,000	Completion	\$0		Well Total	\$75,000	
Note	<b>MD</b> 0	TVD 0 Pro	ogress 0	Days	0	<b>MW</b> 0.0	Visc	0.0
Start	Formation:	<b>PBTD</b> : 0.0		Perf:		PKR De	<b>epth:</b> 0.0	
06-00	Activity at Report Ti	ime: BUILD LOCATION						
Daily Costs   Drilling   Stock   St	Start End	Hrs Activity Description	on					
Paily Cost   Filling   S   Completion   S   Paily Total   S   S   S   S   S   S   S   S   S	06:00 06:00	24.0 START LOCATION	BUILD.					
No	05-20-2010 R	eported By TERRY	CSERE					
MD	DailyCosts: Drilling	\$0	Completion			Daily Total	\$0	
Perf	<b>Cum Costs: Drilling</b>	\$75,000	Completion	\$0		Well Total	\$75,000	
Start   Start   Bar	<b>MD</b> 0	TVD 0 Pro	ogress 0	Days	0	<b>MW</b> 0.0	Visc	0.0
Start	Formation:	<b>PBTD</b> : 0.0		Perf:		PKR Do	<b>epth:</b> 0.0	
Def   Def	Activity at Report T	ime: BUILD LOCATION						
Desiry Cost   Desiry   Desi	Start End	Hrs Activity Description	on					
Paily Cost   Paily   Paily	06:00 06:00	24.0 LOCATION 10% CC	OMPLETE.					
Cum Cost: Drilling         S75.000         Completion         S0         Well Total         \$75.000           MD         0         Days         0         MW         0.0         Vision           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Start         End         Hrs         Activity Description           06:00         06:00         Daily Total         \$0           Daily Total         \$0         Daily Total         \$0           MD         0         Prf:         PKR Depth: 0.0         O.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Start         End         Hrs         Completion         \$0         Daily Total         \$0           Daily Cost:         PERF Depth: 0.0         Daily Cost:         PERF Depth: 0.0         Daily Cost: <th< td=""><td>05-21-2010 R</td><td>eported By TERRY</td><td>CSERE</td><td></td><td></td><td></td><td></td><td></td></th<>	05-21-2010 R	eported By TERRY	CSERE					
MD	DailyCosts: Drilling	\$0	Completion	\$0		<b>Daily Total</b>	\$0	
Part	<b>Cum Costs: Drilling</b>	\$75,000	Completion	\$0		Well Total	\$75,000	
Start   End   Of-00   Of-00	<b>MD</b> 0	TVD 0 Pro	ogress 0	Days	0	<b>MW</b> 0.0	Visc	0.0
Start	Formation:	<b>PBTD</b> : 0.0		Perf:		PKR Do	<b>epth:</b> 0.0	
06:00         24.0 LOCATION 50% COMPLETE.           05-24-2010         Report By         TERRY CSERE           Daily Costs: Drilling         \$0         Daily Total         \$0           Completion         \$0         Daily Total         \$0           MD         0         Perf:         PERR Depth: 0.0         Vision         O.0         PERR Depth: 0.0         PERR Depth: 0.0         PERR Depth: 0.0         PERR Depth: 0.0         Daily Costs: Drilling         Report By         TERRY CSERE         Daily Costs: Drilling         \$0         Daily Total         \$0         Daily Total         \$0         Completion         \$0         Daily Total         \$0         Daily Total         \$0         Completion         \$0         Daily Total         \$0         Daily Total         \$0         Completion         \$0         Daily Total         \$0         Daily Total         \$0         Daily Total <td>Activity at Report Ti</td> <td>ime: BUILD LOCATION</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Activity at Report Ti	ime: BUILD LOCATION						
Daily Costs   Drilling   S    Completion   S    Daily Total   S	Start End	Hrs Activity Description	on					
Daily Costs: Drilling         \$0         Daily Total         \$0	06:00 06:00	24.0 LOCATION 50% CC	OMPLETE.					
Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0         Visc         PKR Depth: 0.0           Start         End         Hrs         Activity Description         \$0         Daily Total         \$0           06:00         06:00         24.0         LOCATION 60% COMPLETE.         \$0         Daily Total         \$0           Completion         \$0         Daily Total         \$0           Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity Description         PERF Depth: 0.0         PERF Depth: 0.0	05-24-2010 R	eported By TERRY	CSERE					
MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time:         BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION 60% COMPLETE.         SOMPLETE.           Daily Costs: Drilling         Sometime in the color	DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0	
Formation   For	<b>Cum Costs: Drilling</b>	\$75,000	Completion	\$0		Well Total	\$75,000	
Start   End   Hrs   Activity Description	<b>MD</b> 0	TVD 0 Pro	ogress 0	Days	0	<b>MW</b> 0.0	Visc	0.0
Start   End   Hrs   Activity Description	Formation :	<b>PBTD</b> : 0.0		Perf:		PKR Do	epth: 0.0	
06:00         06:00         24.0 LOCATION 60% COMPLETE.           05-25-2010 Reported By TERRY CSERE           Completion \$0         Daily Total \$0           Cum Costs: Drilling \$75,000         Completion \$0         Well Total \$75,000           MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0           Formation: PBTD: 0.0 Perf: PKR Depth: 0.0           Activity at Report Time: BUILD LOCATION           Start End Hrs Activity Description           06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.	Activity at Report Ti	ime: BUILD LOCATION						
05-25-2010         Reported By         TERRY CSERE           Daily Costs: Drilling         \$0         Completion         \$0         Daily Total         \$0           Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time: BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION COMPLETE. WORKING ON ACCESS ROAD.	Start End	Hrs Activity Description	on					
Daily Costs: Drilling Cum Costs: Drilling Cum Costs: Drilling S75,000         Completion S0         Well Total S75,000         \$75,000           MD         0 TVD         0 Progress D Days Depth: 0.0         0 MW DEPTH: 0.0         Visc Depth: 0.0         0.0           Formation: PBTD: 0.0 Perf: PKR Depth: 0.0           Activity at Report Time: BUILD LOCATION           Start         End         Hrs Activity Description           06:00         06:00         24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.	06:00 06:00	24.0 LOCATION 60% CC	OMPLETE.					
Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time:         BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION COMPLETE. WORKING ON ACCESS ROAD.	05-25-2010 R	eported By TERRY	CSERE					
Cum Costs: Drilling         \$75,000         Completion         \$0         Well Total         \$75,000           MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time:         BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION COMPLETE. WORKING ON ACCESS ROAD.	DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0	
MD         0         TVD         0         Progress         0         Days         0         MW         0.0         Visc         0.0           Formation:         PBTD: 0.0         Perf:         PKR Depth: 0.0           Activity at Report Time:         BUILD LOCATION           Start         End         Hrs         Activity Description           06:00         06:00         24.0         LOCATION COMPLETE. WORKING ON ACCESS ROAD.	_	\$75,000	-	\$0		-	\$75,000	
Formation: PBTD: 0.0 Perf: PKR Depth: 0.0  Activity at Report Time: BUILD LOCATION  Start End Hrs Activity Description  06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.	_		_	Davs	0	<b>MW</b> 0.0	Visc	0.0
Activity at Report Time: BUILD LOCATION  Start End Hrs Activity Description  06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.				•				
Start End Hrs Activity Description  06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.							-	
06:00 06:00 24.0 LOCATION COMPLETE. WORKING ON ACCESS ROAD.			on					
05-26-2010 Reported By TERRY CSERE				N ACCESS RO	AD.			
	05-26-2010 R							

DailyCosts: Drilling	\$0		Com	pletion	\$0		Daily	y Total	\$0	
Cum Costs: Drilling	\$75,00	0	Com	pletion	\$0		Well	Total	\$75,000	
<b>MD</b> 0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:		<b>PBTD</b> : 0	0.0		Perf:			PKR De	<b>pth:</b> 0.0	
Activity at Report T	ime: LOCATIO	N BUILD								
Start End	Hrs Acti	ivity Desc	ription							
06:00 06:00	24.0 WOI	RKING ON	N ACCESS ROAI	D.						
05-27-2010 F	Reported By	TE	ERRY CSERE							
DailyCosts: Drilling	\$0		Com	pletion	\$0		Daily	y Total	\$0	
<b>Cum Costs: Drilling</b>	\$75,00	0	Com	pletion	\$0		Well	Total	\$75,000	
<b>MD</b> 0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:		<b>PBTD</b> : 0	0.0		Perf:			PKR De	<b>pth:</b> 0.0	
Activity at Report T	ime: BUILD LO	OCATION								
Start End	Hrs Acti	ivity Desc	ription							
06:00 06:00	24.0 STA	RTING CL	OSED LOOP SY	YSTEM.						
05-28-2010 F	Reported By	TE	ERRY CSERE/K	ENT DEV	ENPORT					
DailyCosts: Drilling	\$0		Com	pletion	\$0		Daily	y Total	\$0	
	\$75,00	0	Com	pletion	\$0		Well	Total	\$75,000	
<b>Cum Costs: Drilling</b>			D	0	Days	0	MW	0.0	Visc	0.0
Cum Costs: Drilling MD 60	TVD	60	Progress	O	24,5					
_		60 <b>PBTD:</b> 0	_	Ü	Perf:			PKR De	<b>pth:</b> 0.0	
<b>MD</b> 60		<b>PBTD</b> : 0	0.0		=			PKR De	<b>pth:</b> 0.0	
MD 60 Formation:	ime: SPUD NO	<b>PBTD</b> : 0	0.0 ON/BUILD LOC		=			PKR De	<b>pth:</b> 0.0	
MD 60  Formation: Activity at Report T	ime: SPUD NO  Hrs Acti  24.0 CRA  CEM	PBTD: 0 OTIFICATION OTIFICATIO	0.0 ON/BUILD LOC	CATION VICE SPUI I READY I	Perf:  DA 20" HOLE MIX. CAROL	DANIELS	W/UDOGM	M. SET +/-60	)' OF 14" CONI	
MD 60  Formation: Activity at Report T  Start End	ime: SPUD NO  Hrs Acti  24.0 CRA  CEM  AND	PBTD: 0 OTIFICATION OTIFICATIO	0.0 ON/BUILD LOC Cription STABOUT SERV SURFACE WITH	CATION VICE SPUI I READY I Y EMAIL (	Perf:  DA 20" HOLE MIX. CAROL	DANIELS	W/UDOGM	M. SET +/-60	)' OF 14" CONI	
MD 60 Formation: Activity at Report T Start End 06:00 06:00	ime: SPUD NO  Hrs Acti  24.0 CRA  CEM  AND	PBTD: 0 OTIFICATION OTIFICATIO	0.0  ON/BUILD LOC  Cription  STABOUT SERV SURFACE WITH  SNOTIFIED BY	CATION VICE SPUI I READY I Y EMAIL (	Perf:  DA 20" HOLE MIX. CAROL	DANIELS	W/UDOGM	M. SET +/-60	)' OF 14" CONI	
MD 60 Formation: Activity at Report T Start End 06:00 06:00	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND CLO  CLO	PBTD: 0 OTIFICATION OTIFICATIO	DON/BUILD LOC CRIPTION  STABOUT SERVE SURFACE WITH AS NOTIFIED BY  P 50% COMPLE  ERRY CSERE	CATION VICE SPUI I READY I Y EMAIL (	Perf:  DA 20" HOLE MIX. CAROL	DANIELS	W/UDOGM 09:41 AM.	M. SET +/-60	)' OF 14" CONI	
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND CLO  Reported By \$0	PBTD: 0 OTIFICATION OTIFICATIO	DON/BUILD LOC PRIPATION  STABOUT SERVE SURFACE WITH  SOME NOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com	CATION VICE SPUI I READY I Y EMAIL (	Perf:  D A 20" HOLE  MIX. CAROL  OF SPUD ON	DANIELS	W/UDOGM 09:41 AM. Dail	M. SET +/–60 WAS NOTIFI	)' OF 14" CONI ED BY PHONE	
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00  06-01-2010 F  DailyCosts: Drilling	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND CLO  Reported By \$0	PBTD: 0 OTIFICATION OTIFICATIO	DON/BUILD LOC PRIPATION  STABOUT SERVE SURFACE WITH  SOME NOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com	CATION VICE SPUI I READY I Y EMAIL ( ETE.	Perf:  D A 20" HOLE MIX. CAROL DF SPUD ON  \$0	DANIELS	W/UDOGM 09:41 AM. Dail	M. SET +/–60 WAS NOTIFI y <b>Total</b>	O' OF 14" CONI ED BY PHONE	
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00  06-01-2010 F  DailyCosts: Drilling Cum Costs: Drilling	Fime: SPUD NO  Hrs Acti  24.0 CRA CEM AND  CLO  Reported By  \$0 \$75,00  TVD	PBTD: 0 OTIFICATION INTERPRETATION I	DON/BUILD LOC Pription STABOUT SERV SURFACE WITH AS NOTIFIED BY P 50% COMPLE ERRY CSERE Com Progress	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Appletion  appletion	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0 \$0	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. Daily Well	M. SET +/–60 WAS NOTIFI y Total Total	\$0 \$0 \$0 \$75,000 <b>Visc</b>	E MESSAGI
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00  06-01-2010 F  DailyCosts: Drilling Cum Costs: Drilling	Hrs Acti 24.0 CRA CEM AND CLO Reported By \$0 \$75,00	PBTD: 0 OTIFICATION INVITED TO SECULO SECUE SECULO	DON/BUILD LOC Pription STABOUT SERV SURFACE WITH AS NOTIFIED BY P 50% COMPLE ERRY CSERE Com Progress	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Appletion  appletion	Perf:  DA 20" HOLE MIX. CAROL OF SPUD ON  \$0 \$0 Days	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. Daily Well	M. SET +/-60 WAS NOTIFI y Total Total	\$0 \$0 \$0 \$75,000 <b>Visc</b>	E MESSAGE
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06:00  06-01-2010 F  DailyCosts: Drilling MD 60  Formation: Activity at Report T  Start End	Fime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$75,00  TVD  Fime: BUILD LO  Hrs Acti	PBTD: 0 OTIFICATION IVITY Desc LIGS ROUS MENT TO S O BLM WA DSED LOOD THE O 60 PBTD: 0 OCATION IVITY Desc	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERVE SURFACE WITH  SERVE SOMPLE  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Appletion  appletion	Perf:  DA 20" HOLE MIX. CAROL OF SPUD ON  \$0 \$0 Days	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. Daily Well	M. SET +/-60 WAS NOTIFI y Total Total	\$0 \$0 \$0 \$75,000 <b>Visc</b>	E MESSAGI
MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-01-2010 F DailyCosts: Drilling MD 60 Formation: Activity at Report T Start End 06:00 06:00	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$75,00  TVD  TVD  Time: BUILD LO Hrs Acti 24.0 GEL	PBTD: 0 PTIFICATION INVITED TO SECULO	2.0 CON/BUILD LOCK CRIPTION STABOUT SERV SURFACE WITH AS NOTIFIED BY P 50% COMPLE ERRY CSERE Com Com Progress 0.0 Cription LOOP TODAY.	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Appletion  appletion	Perf:  DA 20" HOLE MIX. CAROL OF SPUD ON  \$0 \$0 Days	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. Daily Well	M. SET +/-60 WAS NOTIFI y Total Total	\$0 \$0 \$0 \$75,000 <b>Visc</b>	E MESSAGI
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06-01-2010 F  DailyCosts: Drilling MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06-02-2010 F	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$75,00  TVD  TVD  TVD  CHrs Acti 24.0 GEL  Reported By	PBTD: 0 PTIFICATION INVITED TO SECULO	DON/BUILD LOC CRIPTION  STABOUT SERVE SURFACE WITH SOUT SERVE SURFACE WITH SOUT SERVE SURFACE WITH SOUT SERVE SURFACE WITH SOUT SERVE P 50% COMPLE ERRY CSERE  Comp Progress DON  Cription LOOP TODAY. ERRY CSERE	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Inpletion 0	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Days  Perf:	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM. <b>Dail</b> y <b>Well</b> <b>MW</b>	M. SET +/-60 WAS NOTIFI  y Total Total 0.0 PKR De	\$0 \$0 \$0 \$75,000 <b>Visc</b> <b>pth:</b> 0.0	E MESSAGI
MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-01-2010 F DailyCosts: Drilling MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-02-2010 F DailyCosts: Drilling	Fime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$775,00  TVD  Fime: BUILD LO Hrs Acti 24.0 GEL  Reported By \$0	PBTD: 0 OTIFICATION IVITY Desc AIGS ROUS MENT TO S O BLM WA OSED LOOD THE O 60 PBTD: 0 OCATION IVITY Desc AIGNOSED THE	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERVE SURFACE WITH  SENOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0  Cription  LOOP TODAY.  ERRY CSERE  Com	CATION VICE SPUIL READY IN EMAIL OF THE COMMENT OF	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Days Perf:	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM.  Daily Well MW	M. SET +/-60 WAS NOTIFI  y Total  0.0  PKR De	\$0 \$75,000 <b>Visc</b> <b>pth:</b> 0.0	E MESSAGI
MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06-01-2010 F  DailyCosts: Drilling MD 60  Formation: Activity at Report T  Start End 06:00 06:00  06-02-2010 F	Fime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO  Reported By \$0 \$775,00  TVD  Fime: BUILD LO Hrs Acti 24.0 GEL  Reported By \$0	PBTD: 0 OTIFICATION IVITY Desc AIGS ROUS MENT TO S O BLM WA OSED LOOD THE O 60 PBTD: 0 OCATION IVITY Desc AIGNOSED THE	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERVE SURFACE WITH  SENOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0  Cription  LOOP TODAY.  ERRY CSERE  Com	CATION VICE SPUI I READY I Y EMAIL ( ETE.  Inpletion 0	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Days  Perf:	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM.  Daily Well MW	M. SET +/-60 WAS NOTIFI  y Total Total 0.0 PKR De	\$0 \$0 \$0 \$75,000 <b>Visc</b> <b>pth:</b> 0.0	E MESSAGE
MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-01-2010 F DailyCosts: Drilling MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-02-2010 F DailyCosts: Drilling Cum Costs: Drilling	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO Reported By \$0 \$75,00  TVD  TVD  Sime: BUILD LO Hrs Acti 24.0 GEL Reported By \$0 \$75,00 TVD	PBTD: 0 OTIFICATION IVITY Desc AIGS ROUS MENT TO S O BLM WA DISED LOOD THE O 60 PBTD: 0 OCATION IVITY Desc AIGNOSED THE O 60 60 CLOSED	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERV SURFACE WITH  S NOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0  Cription  LOOP TODAY.  ERRY CSERE  Com  Com  Progress	CATION VICE SPUIL READY IN EMAIL OF THE COMMENT OF	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Perf:  \$0  Days  Perf:	DANIELS 5/26/10 @ (	W/UDOGM 09:41 AM.  Daily Well MW	M. SET +/-60 WAS NOTIFI  y Total  0.0  PKR Dep  y Total  Total  0.0	\$0 \$75,000 <b>Visc</b> \$0 \$75,000 <b>Visc</b> \$0 \$75,000 <b>Visc</b>	E MESSAGE
MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-01-2010 F DailyCosts: Drilling MD 60 Formation: Activity at Report T Start End 06:00 06:00  06-02-2010 F DailyCosts: Drilling	ime: SPUD NO  Hrs Acti 24.0 CRA CEM AND  CLO Reported By \$0 \$75,00  TVD  TVD  Sime: BUILD LO Hrs Acti 24.0 GEL Reported By \$0 \$75,00 TVD	PBTD: 0 OTIFICATION IVITY Desc LIGS ROUS LIGS	2.0  CON/BUILD LOCK  CRIPTION  STABOUT SERV SURFACE WITH  S NOTIFIED BY  P 50% COMPLE  ERRY CSERE  Com  Com  Progress  2.0  Cription  LOOP TODAY.  ERRY CSERE  Com  Com  Progress	CATION VICE SPUID READY PARAMETER.  The properties of the properti	Perf:  D A 20" HOLE MIX. CAROL OF SPUD ON  \$0  \$0  Days Perf:  \$0  \$0	DANIELS 5/26/10 @ 0	W/UDOGM 09:41 AM.  Daily  Well  MW  Daily  Well	M. SET +/-60 WAS NOTIFI  y Total  0.0  PKR De  y Total  Total	\$0 \$75,000 <b>Visc</b> \$0 \$75,000 <b>Visc</b> \$0 \$75,000 <b>Visc</b>	0.0

Start	End	Hrs	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION COMPLETE

06-14-2010	Re	ported By	Г	DAVID GREESON	1						
DailyCosts:	Drilling	\$236	,480	Com	pletion	\$0		Daily	Total	\$236,480	
<b>Cum Costs:</b>	Drilling	\$311	,480	Com	pletion	\$0		Well '	<b>Fotal</b>	\$311,480	
MD	2,614	TVD	2,614	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :			PBTD:	0.0		Perf:			PKR Der	oth: 0.0	

Activity at Report Time: WORT

#### Start End Hrs Activity Description

06:00 06:00

24.0 MIRU CRAIG'S AIR RIG #2 ON 6/7/2010. DRILLED 12–1/4" HOLE TO 2595' GL (2614' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR TO 1920', PUMP DRILLED TO 2595' GL. PARTIAL RETURNS THROUGHOUT DRILLING. RAN 61 JTS (2582.2') OF 9–5/8", 36.0#, J–55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2601.2' KB. RAN 200' 1" PIPE DOWN BACK SIDE. RDMO CRAIGS RIG #2.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 4500 PSIG. PUMPED 190 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLS) OF PREMIUM LEAD CEMENT WITH 0.2% VARSET 2% CALSEAL, AND 2% EX-1. MIXED LEAD @ 10.5 PPG W/ YIELD OF 4.1 CFS.PARTIAL RETURNS OF WATER TO SURFACE LOST RETURNS AFTER FIRST 90 BBL'S PUMPED. TAIL: MIXED AND PUMPED 300 SACKS (64 BBLS) OF PREMIUM CEMENT W/ 2% CACL. MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.2 CF/SX. DISPLACED CEMENT W/196 BBLS FRESH WATER. BUMPED PLUG W/897 PSI @ 07:05, 6/12/10. FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE.

TOP JOB # 1: DOWN 200' OF 1' PIPE, MIXED & PUMPED 125 SX (25 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. WAIT ON CEMENT 3 HOURS.

TOP JOB # 2: MIXED & PUMPED 125 SX (25 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX.

TOP JOB # 3: MIXED & PUMPED 150 SX (30 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND CEMENT STOOD AT SURFACE. RELEASE HALLIBURTON.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG 2 TOOK SURVEYS WHILE DRILLING HOLE @ 1500° = 1.5 DEGREE, 2010° = 1.75 DEGREE & 2580° = 4.5 DEGREE.

KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 6/9/2010 @ 03:30 PM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING AND CEMENT VIA PHONE ON 6/9/10 AT 03:30 PM.

06-28-20	)10 R	Reported	Ву	JOHNNY TURN	NER						
DailyCos	ts: Drilling		\$110,614	Co	mpletion	\$0		Daily	Total	\$110,614	
Cum Cos	ts: Drilling	;	\$426,772	Co	mpletion	\$0		Well	Total	\$426,772	
MD	2,614	TVD	2,614	Progress	0	Days	0	MW	9.8	Visc	35.0
Formatio	n:		PBTD	: 0.0		Perf:			PKR De	<b>pth:</b> 0.0	
Activity a	it Report T	<b>ime:</b> PU	ВНА								
Start	End	Hrs	Activity Do	escription							

06:00	12:00	6.0 RIG DOWN & MOVE 12.2 MILES.
12:00	00:00	12.0 PRE RIG UP SAFETY MEETING, RIG UP ON ECW 84–03, RAISE DERRICK @ 16:30, TRUCKS RELEASED @ 17: 00.
00:00	00:30	0.5 WASH DOWN RAT HOLE. RIG ACCEPTED TO DAY WORK @ 00:01 HRS, 6/28/2010.
00:30	04:00	3.5 TEST BOP, PIPE RAMS, BLIND RAMS, CHOKE VALVES, MANIFOLD, FLOOR VALVES 5000#, ANNULAR 2500#.
04:00	04:30	0.5 TEST CASING 1500#.
04:30	05:00	0.5 SET WEAR BUSHING.
05:00	06:00	1.0 HOLD SAFETY MEETING, RIG UP WEATHERFORD & PICKUP BHA
05:00	06:00	1.0 HOLD SAFETY MEETING, RIG UP WEATHERFORD & PICKUP BHA

NO INCIDENT, NO ACCIDENT

FULL CREWS

FUEL 8436 GALS, USED300 GALS

			CEE 0130 Gr	ED, CDED300	O' ILD						
06-29-20	)10 Re	eported By	, JC	HNNY TURN	ER						
DailyCos	ts: Drilling	\$25	,004	Con	mpletion	\$0		Daily	Total	\$25,004	
Cum Cos	ts: Drilling	\$45	1,776	Cor	mpletion	\$0		Well	<b>Fotal</b>	\$451,776	
MD	4,220	TVD	4,220	Progress	1,606	Days	1	MW	9.3	Visc	37.0
Formatio	n:		<b>PBTD</b> : 0	.0		Perf:			PKR De	<b>pth:</b> 0.0	
Activity a	t Report Ti	me: DRILI	ING @ 4220'								
Start	End	Hrs A	activity Desc	ription							
06:00	07:30	1.5 P	ICK UP BHA	& DRILLPIPE	(TAG CEN	MENT @ 2515	').				
07:30	08:00	0.5 I	NSTALL ROT	ATING HEAD	RUBBER &	torque Ki	ELLY.				

06:00	07:30	1.5 PICK UP BHA & DRILLPIPE (TAG CEMENT @ 2515').
07:30	08:00	0.5 INSTALL ROTATING HEAD RUBBER & TORQUE KELLY.
08:00	09:30	1.5 DRILL CEMENT/FLOAT EQUIP. & 15' OF FORMATION.
09:30	10:00	0.5 F.I.T. @ 2625', 232# (HELD) EMW 11#.
10:00	15:00	5.0 DRILL 390', ROP 78 FPH, WOB 18–20, SPP 1650, DIFF. 150–250, RPM 45–60, MM 76, MUD WEIGHT 9.3, VIS 38, FORMATION– MAHOGANY.
15:00	15:30	0.5 SERVICE RIG.
15:30	19:00	3.5 DRILL 309', ROP 88 FPH, WOB 18–22, SPP 1500, DIFF. 100–150, RPM 45–65, MM 76, MUD WEIGHT 9.4, VIS 37, FORMATION– MAHOGANY.
19:00	19:30	0.5 SURVEY @ 3245' .75 DEGREE.
19:30	06:00	10.5 DRILL, 896', ROP 85 FPH, WOB 20–25, SPP 1675, DIFF. 200–300, RPM 50–60, MM 76, MUD WEIGHT 9.4, VIS 38, FORMATION–MAHOGANY.

NO INCIDENT NO ACCIDENT

FULL CREWS

BOP DRILLS, BOTH CREWS COM CHECK DRILLING

FUEL 7410 GALS, USED 1026 GALS

06:00 SPUD 7 7/8" HOLE @ 10:00 HRS, 6/28/10.

06-30-2010	Re	eported By	JO	HNNY TURNE	ER						
DailyCosts: D	rilling	\$30,70	3	Con	npletion	\$0		Daily	Total	\$30,703	
Cum Costs: D	rilling	\$482,4	79	Con	npletion	\$0		Well	Total	\$482,479	
MD	5,690	TVD	5,690	Progress	1,470	Days	2	MW	9.4	Visc	38.0
Formation:		]	<b>PBTD</b> : 0	.0		Perf:			PKR Dep	oth: 0.0	

Well Name: ECW 084–03 Field: CHAPITA DEEP Property: 063929

Activity at Report Time: DRILLING @ 5690'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL 4220'–4388', 168', ROP 112 FPH, WOB 20–25, SPP 1800, DIFF. 200–400, RPM 45–60, MM76,MUD WEIGHT 9.4, VIS 38, FORMATION– MOHOGANY 2625'.
07:30	08:00	0.5	SURVEY @ 4303 .5 DEGREE.
08:00	15:00	7.0	DRILL 4388'–4919', 531', ROP 75.8 FPH, WOB 20–25, SPP 2200, DIFF. 70–350, RPM 40–50, MM 76, MUD WEIGHT 9.6, VIS 38, FORMATION–WASATCH 4840'.
15:00	15:30	0.5	SERVICE RIG.
15:30	06:00	14.5	DRILL 4919'-5690', 766', ROP 53.1 FPH, WOB 20-25, SPP 2100, DIFF. 150-350, RPM 45-60, MM 76, MUD WEIGHT 9.7 VIS 40, FORMATION-CHAPITA WELLS 5427'.
			DERRICK MAN ON DAYLIGHTS ELIAS ENTZ, WAS PUTTING A WATER HOSE ON RADATOR ON #1 PUMP & PUT HIS LEFT ARM ON EXHAUST CAUSING A BURN, FIRST AID ONLY
			FULL CREWS
			COM CHECK DRILLING

07-01-2010	Re	ported By	G	GLEN PRUET / JOHNNY TURNER							
DailyCosts:	Drilling	\$34,5	556	Con	pletion	\$0		Daily	Total	\$34,556	
<b>Cum Costs:</b>	Drilling	\$517	,035	Com	pletion	\$0		Well	<b>Fotal</b>	\$517,035	
MD	6,640	TVD	6,640	Progress	950	Days	3	MW	9.7	Visc	39.0
Formation:			<b>PBTD</b> : 0	0.0		Perf:			PKR Der	oth: 0.0	

Activity at Report Time: DRLG @ 6640'

Start	End	Hrs Activity Description
06:00	15:00	9.0 DRILL 5690' TO 6201'. 511' / 56.77 FPH. 45 RPM + 100 RPM ON MOTOR. WOB 22K . GPM 454. PP 2200 PSI. FUNC. COM/DRLG. BUCK CANYON.
15:00	15:30	0.5 SERVICE RIG.
15:30	06:00	14.5 DRILL 6201' TO 6640. 439' / 30.27 FPH. 52 RPM + 100 RPM ON MOTOR. WOB 24K. GPM 454. PP 2100 PSI. FUNC. COM. DRLG NORTH HORN.

NO ACCIDENTS

FUEL 5839 GALS, USED 1397

SAFETY MEETINGS, LOOSE CLOTHING AND JEWELRY ON RIG.

FULL CREWS

FUEL ON HAND 4674. FUEL USED 1165.

CURRENT MUD WT. 9.9 PPG. VIS 38.

FUNC. COM. DRLG NORTH HORN.

FORMATION TOPS BUCK CANYON 6087', NORTH HORN 6633'.

WEATHER 66 DEG. DEW PT. 48 DEG. WIND W 6 MPH. VISIBILTY 10 M

07-02-20	)10 R	eported I	By G	LEN PRUET							
DailyCosts: Drilling \$31,194		31,194	Completion		\$0		Daily	Total	\$31,194		
Cum Cos	ts: Drilling	\$:	548,230	Cor	npletion	\$0		Well	Total	\$548,230	
MD	7,650	TVD	7,650	Progress	1,010	Days	4	MW	10.0	Visc	38.0
Formation: PBTD: 0.0						Perf:			PKR Dep	oth: 0.0	
Activity a	t Report Ti	me: DRII	LLING @ 7650'								
Start	End	Hrs	Activity Desc	ription							
06:00	14:00	8.0 DRILL 6640' TO 7015', 375' /46.87 FPH. 52 RPM + 72 RPM ON MOTOR, WOB 24/34K, GPM 454, PP 2100 PSI.								0 PSI.	

14:00 14:30 0.5 SERVICE RIG. 14:30 15.5 DRILL 7015' TO 7650', 635' /40.96 FPH. 45 RPM + 72 RPM ON MOTOR, WOB 26K, GPM 446, PP 2250 PSI. FUNC. 06:00 COM. DRLG KMV PRICE RIVER. RECEIVED 222 JTS 4.5" 11.60# N-80 LTC CSG, 3 MKR JTS. 1 C/O MKR JT. 9408' O/A. NO ACCIDENTS SAFETY MEETINGS, HAZMET. GENERAL SAFETY FULL CREWS FUEL ON HAND 3306. FUEL USED 1368. CURRENT MUD WT. 10.2 PPG. VIS 38. FORMATION TOPS. KMV PRICE RIVER WEATHER; FAIR, TEMP 58 DEG. DEW PT. 53 DEG. WIND NW 7 MPH. VISIBILTY 10 M 07-03-2010 GLEN PRUET Reported By DailyCosts: Drilling \$42,579 \$0 **Daily Total** \$42,579 Completion **Cum Costs: Drilling** \$590,809 Completion \$0 Well Total \$590,809 38.0 MD 8,685 **TVD** 8,685 **Progress** 1,035 Days MW10.1 Visc **Formation: PBTD**: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: DRILLING @ 8685' Start End **Activity Description** 06:00 15:00 9.0 DRILL 7650' TO 8138', 488' /54.22 FPH. 45 RPM + 72 RPM ON MOTOR. WOB 27K. GPM 440. PP 2400 PSI. FUNC. COM. DRLG KMV PRICE RIVER MIDDLE. 15:00 15:30 0.5 SERVICE RIG. 14.5 DRILL 8138' TO 8685', 547'/37.72 FPH. 50 RPM + 70 RPM ON MOTOR. WOB 32K. GPM 440. PP 2450 PSI. FUNC. 15:30 06:00 COM. DRLG KMV PRICE RIVER LOWER. NO ACCIDENTS SAFETY MEETINGS, PPE, HOUSE KEEPING. FULL CREWS

FUEL ON HAND 2928. FUEL USED 1382. RECEIVED 1004 GAL. DIESEL.

CURRENT MUD WT. 10.4 PPG. VIS 38.

FORMATION TOPS. 8535' KMV PRICE RIVER LOWER

WEATHER; FAIR, TEMP 63 DEG. DEW PT. 48 DEG. WIND VAR @ 5 MPH. VISIBILITY 10 MI.

07-04-2010	R	eported By	G	LEN PRUET							
DailyCosts: I	Orilling	\$27,619		Con	npletion	\$0		Daily	<b>Total</b>	\$27,619	
Cum Costs: I	Orilling	\$618,429		Con	npletion	\$0		Well	Total	\$618,429	
MD	9,220	TVD	9,220	Progress	535	Days	6	MW	10.8	Visc	40.0
Formation:		PH	<b>TD</b> : 0	0.0		Perf:			PKR Dep	oth: 0.0	

Activity at Report Time: CIRCULATE & CONDITION @ TD

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL 8685' TO 8719', $34'/68$ FPH. $50$ RPM + $70$ RPM ON MOTOR. WOB 32K. GPM 440. PP 2450 PSI. DRLG KMV PRICE RIVER LOWER. FUNC. COM.
06:30	10:30	4.0	TFNB. DROP TOTCO, PUMP SLUG, POOH. HOLE IN GOOD CONDITION, VERY LITTLE DRAG. FILL UP AS CALCULATED. FUNCTION PIPE & BLIND RAMS.
10:30	13:00	2.5	TIH/W BIT #2. SECURITY FX65M.
13:00	14:00	1.0	WASH/REAM 75' TO BOTTOM, NO FILL.

14:00	14:30	0.5 DRILL 8719' TO 8744', $25$ '/50 FPH. $45$ RPM + $70$ RPM ON MOTOR. WOB 14K. GPM 440. PP 2350 PSI. FUNC. COM. DRLG KMV PRICE RIVER LOWER.
14:30	15:00	0.5 SERVICE RIG
15:00	02:30	11.5 DRILL 8744' TO 9220', 476' /41.39 FPH. 45 RPM + 67 RPM ON MOTOR. WOB 20K. GPM 420. PP 2350 PSI. DRLG KMV PRICE RIVER, & SEGO. REACHED TD @ 02:30 HRS, 7–4–2010.
02:30	03:30	1.0 CBU. @ TD.
03:30	04:30	1.0 10 STD. WIPER TRIP TO 8250'. HOLE CLEAN.
04:30	06:00	1.5 CIRCULATE & CONDITION HOLE TO RUN CASING.

NOTIFIED BLM VIA EMAIL AND UDOGM (CAROL DANIELS VOICE MAIL) RE: RUNNING CSG.

NO ACCIDENTS. FULL CREWS.

07 - 05 - 2010

Reported By

SAFETY MEETINGS, WORKING WITH 3RD PARTY CREWS. TEAM WORK.

FUEL ON HAND 2679. FUEL USED 1269. RECEIVED 1020 GAL. DIESEL.

CURRENT MUD WT. 10.8 PPG. VIS 41.

GLEN PRUET

FORMATION TOPS. 8535' KMV PRICE RIVER LOWER

WEATHER; FAIR, TEMP 63 DEG. DEW PT. 37 DEG. WIND N @ 16 MPH. VISIBILITY 10 MI.

		•	•									
DailyCosts	s: Drilling	\$	38,201	Com	pletion	\$171,105		Daily	Total	\$209,306		
Cum Costs	s: Drilling	\$	656,631	Com	pletion	\$171,105		Well	Total	\$827,736		
MD	9,220	TVD	9,220	Progress	0	Days	7	MW	0.0	Visc	0.0	
Formation	:		<b>PBTD</b> : 0	0.0		Perf:			PKR De <sub>l</sub>	<b>pth:</b> 0.0		
Activity at	Report Ti	me: RDR	T/WO COMPLI	ETION								
Start	End	Hrs	Activity Desc	ription								
06:00	06:30	0.5	CIRCULATE &	CONDITION H	HOLE TO	RUN CASING						
06:30	12:30	6.0	LAY DOWN D	RILL PIPE & DO	C'S, BROI	KE KELLY, &	PULLED W	VEAR BUSH	ING.			
12:30	19:00	6.5	217 JTS 4 1/2", 9216', 1 SHOE	Y MEETING W/I 11.6#, N–80, LT JT., FLOAT COI (10.73') @ 4395'	C CASIN LLAR @ 9	G & LANDED 9169'. 216 JTS	@ 9216'. I S PLUS 3 M	RAN CASINO IARKER JTS	G AS FOLLO	WS; FLOAT SI	HOE @	
			· ·	JLIZERS, 1 – 5'			`	,	2 DAN 25 (	CENTD AT 17E	DC	
				I JT #4 AND EAG			IIV WIIDDL	E OF 313 2 6	c 3. KAIN 23 V	CENTRALIZE	K.5	
19:00	19:30	0.5		ASING, TAGGE RD TRS CASER			/D 1 JT OF	CASING & I	P/U LANDIN	G JT. R/D		
19:30	21:00	1.5		THROUGH FLOA SED FLOW 15/2						,		
21:00	23:00	2.0		LINES TO 5000 ND LEAD CEM				,		,	BLS (480	
			GAL/SK WATE FRESH WATER PRESSURE 5 M	BLS (1270 SKS), ER. WASH PUM R @ 8 BPM AVE MIN. RELEASEI G DOWN @ 22	IP & LINE RAGE, BI D PRESSU	ES, LOAD & D UMP PLUG W JRE, FLOW B	PROPPED T /1500 PSI ( ACK 2 BB	OP PLUG O OVER FCP O LS. RE PRES	NLY. DISPL F 2380 PSI @ SSURED UP	ACED WITH 1 2 BPM. HELI TO 2580 PSI F	42.1 BBLS O OR 2	
23:00	01:00	2.0	WAIT ON CEM	MENT. R/D HAL	LIBURTO	N. TRANSFEI	R MUD AN	D CLEAN M	IUD TANKS.			
01:00	01:30	0.5	LAND CASING	G ON MANDRE	EL HANG	ER W/88700#.	TEST HAN	NGER AND F	PACK OFF 50	000 PSI. OK		

Well Name: ECW 084-03 Field: CHAPITA DEEP Property: 063929

01:30 03:00 1.5 CLEAN MUD TANKS, & NIPPLE DOWN BOP'S.

03:00 06:00 3.0 RDRT. MOVING RIG FROM THE ECW 84–03 TO THE ECW 83–03, 0.9 MILES. RW JONES TRUCKING TO MOVE

RIG 7/5/2010. DERRICK LAID DOWN @ 06:00 HRS.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS, L/D DP, BHA, CEMENTING.

FUEL ON HAND 2116. FUEL USED 513.

WEATHER; FAIR, TEMP 46 DEG. DEW PT. 37 DEG. WIND W @ 5 MPH. VISIBILITY 10 MI.

TRANSFER 2116 GALLONS DIESEL FUEL, 2.58/GALLON. TRANSFER 212' (5 JTS) 11.6# N-80 LTC CASING AND

(1 MKR. JT) 10.02' P-110 11.6#. TO ECW 83.03.

NOTIFIED BLM VIA EMAIL AND UDOGM (CAROL DANIELS VOICE MAIL) 7/4/10 @ 15;30 HRS. RE: ECW 83-

03 BOP TEST.

06:00 RELEASED RIG @ 03:00 HRS, 7/5/2010.

CASING POINT COST \$652,878

07–10–	-2010 R	eported By	M	ICCURDY								
DailyC	osts: Drilling	\$10,0	)30	Com	pletion	\$27,393		Daily	Total	\$37,423		
Cum C	Costs: Drilling	\$666.	,661	Com	pletion	\$198,498		Well	<b>Fotal</b>	\$865,159		
MD	9,220	TVD	9,220	Progress	0	Days	8	MW	0.0	Visc	0.0	
Format	tion :		<b>PBTD</b> : (	0.0		Perf:			PKR Der	oth: 0.0		

Activity at Report Time: WO COMPLETION

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 9156' TO 200'. EST CEMENT TOP @ 1000'.

RDWL.

#### NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

07-21-2010	Re	eported By	N	ICCURDY							
DailyCosts: I	Prilling	\$10,	030	Com	pletion	\$15,488		Daily	Total	\$25,518	
Cum Costs: I	Orilling	\$676	5,691	Com	pletion	\$213,986		Well 7	otal	\$890,677	
MD	9,220	TVD	9,220	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation: MESAVERDE PBTD			<b>PBTD</b> : (	0.0		<b>Perf</b> : 7462'-	-8991'		PKR Der	oth: 0.0	

**Activity at Report Time: FRAC** 

#### Start End Hrs Activity Description

06:00 06:00 24.0 STAGE 1. MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8744'-45', 8772'-73', 8830'-31', 8854'-55',

8858'-59', 8872'-73', 8887'-88', 8891'-92', 8904'-05', 8914'-15', 8921'-22', 8990'-91' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7315 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 23558 GAL 16# DELTA 200 W/79400# 20/40 SAND @ 2-5 PPG. MTP 5949 PSIG. MTR 52.5 BPM. ATP 4666 PSIG. ATR 46.9 BPM. ISIP 3038 PSIG. RD HALLIBURTON.

110. M11 3949 1310. M1K 32.3 BLM. A11 4000 1310. A1K 40.9 BLM. ISH 3030 1310. KD HALLIBUKTON.

STAGE 2. RUWL. SET 6K CFP AT 8726'. PERFORATE MPR/LPR FROM 8484'-85', 8506'-07', 8519'-20', 8528'-29', 8540'-41', 8550'-51', 8557'-58', 8593'-94', 8624'-25', 8663'-64', 8674'-75', 8689'-90', 8694'-95', 8708'-09' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7293 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 35314 GAL 16# DELTA 200 W/121700# 20/40 SAND @ 2-5 PPG. MTP 6020 PSIG. MTR 51.2 BPM. ATP 5176 PSIG. ATR 46.7 BPM. ISIP 3593 PSIG. RD

HALLIBURTON.

STAGE 3. RUWL. SET 6K CFP AT 8460'. PERFORATE MPR FROM 8235'-36', 8245'-46', 8255'-56', 8265'-66', 8276'-77', 8288'-89', 8314'-15', 8338'-39', 8357'-58', 8367'-68', 8393'-94', 8409'-10', 8420'-21', 8444'-45' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7316 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 50087 GAL 16# DELTA 200 W/174600# 20/40 SAND @ 2-5 PPG. MTP 6201 PSIG. MTR 51.6 BPM. ATP 5388 PSIG. ATR 45.9 BPM. ISIP 3295 PSIG. RD HALLIBURTON.

STAGE 4. RUWL. SET 6K CFP AT 8176'. PERFORATE MPR FROM 8029'-30', 8037'-38', 8047'-48', 8055'-56', 8060'-61', 8067'-68', 8083'-84', 8112'-13', 8119'-20', 8140'-41', 8148'-49', 8157'-58' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7368 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 33411 GAL 16# DELTA 200 W/115400# 20/40 SAND @ 2-5 PPG. MTP 5992 PSIG. MTR 50.8 BPM. ATP 4593 PSIG. ATR 48.1 BPM. ISIP 2360 PSIG. RD HALLIBURTON.

STAGE 5. RUWL. SET 6K CFP AT 8000'. PERFORATE MPR FROM 7835'-36', 7838'-39', 7870'-71', 7879'-80', 7890'-91', 7900'-01', 7909'-10', 7921'-22', 7953'-54', 7965'-66', 7972'-73', 7982'-83' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7323 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 36141 GAL 16# DELTA 200 W/124700# 20/40 SAND @ 2-5 PPG. MTP 6135 PSIG. MTR 50.9 BPM. ATP 4855 PSIG. ATR 46.5 BPM. ISIP 3130 PSIG. RD HALLIBURTON.

STAGE 6. RUWL. SET 6K CFP AT 7720'. PERFORATE UPR FROM 7462'-63', 7468'-69', 7475'-76', 7507'-08', 7513'-14', 7520'-21', 7535'-36', 7572'-73', 7600'-01', 7671'-72', 7676'-77', 7682'-83', 7690'-91', 7698'-99' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7334 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 31373 GAL 16# DELTA 200 W/107200# 20/40 SAND @ 2-5 PPG. MTP 6186 PSIG. MTR 51.5 BPM. ATP 5176 PSIG. ATR 46.2 BPM. ISIP 2748 PSIG. RD HALLIBURTON. SDFN.

07-22-2010	R	eported I	3y 1	MCCURDY								
DailyCosts: 1	Orilling	\$	10,030	Con	npletion	\$414,391		Daily	Total	\$424,421		
Cum Costs:	Orilling	\$6	686,721	Con	npletion	\$628,377		Well	<b>Fotal</b>	\$1,315,098		
MD	9,220	TVD	9,220	Progress	0	Days	10	MW	0.0	Visc	0.0	
Formation: MESAVERDE / PBTD			PBTD:	0.0		<b>Perf</b> : 5378'-	8991' <b>PKR Depth :</b> 0.0					

WASATCH

Activity at Report Time: MIRUSU CLEAN OUT SAND AND DRILL OUT FRAC PLUGS

Start	End	Hrs	<b>Activity Description</b>

06:00 06:00

24.0 STAGE 7. INTIAL PRESSURE 1600 PSIG. RUWL. SET 6K CFP AT 7386'. PERFORATE UPR FROM 7088'-89', 7094'-95', 7103'-04', 7131'-32', 7183'-84', 7187'-88', 7233'-34', 7258'-59', 7266'-67', 7276'-77', 7299'-300', 7352'-53', 7360'-61', 7366'-67' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7406 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 37127 GAL 16# DELTA 200 W/128900# 20/40 SAND @ 2-5 PPG. MTP 5067 PSIG. MTR 51.2 BPM. ATP 3965 PSIG. ATR 49.4 BPM. ISIP 2617 PSIG. RD HALLIBURTON.

STAGE 8. RUWL. SET 6K CFP AT 7072'. PERFORATE NH FROM 6824'–25', 6834'–35', 6840'–41', 6846'–47', 6852'–53', 6954'–55', 6958'–59', 6976'–77', 6979'–80', 6981'–82', 7029'–30', 7054'–55'@ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7377 GAL 16# LINEAR W/9500# 20/40 SAND @ 1–1.5 PPG, 28616 GAL 16# DELTA 200 W/97100# 20/40 SAND @ 2–5 PPG. MTP 5104 PSIG. MTR 50.8 BPM. ATP 3698 PSIG. ATR 48.9 BPM. ISIP 2229 PSIG. RD HALLIBURTON.

STAGE 9. RUWL. SET 6K CFP AT 6806'. PERFORATE Ba FROM 6488'-89', 6393'-94', 6496'-97', 6639'-40', 6645'-46', 6681'-82', 6712'-13', 6751'-52', 6756'-57', 6779'-80', 6784'-85', 6787'-88'@ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7389 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 30316 GAL 16# DELTA 200 W/99100# 20/40 SAND @ 2-4 PPG. MTP 6142 PSIG. MTR 50.5 BPM. ATP 4532 PSIG. ATR 49.5 BPM. ISIP 2666 PSIG. RD HALLIBURTON.

STAGE 10. RUWL. SET 6K CFP AT 6464'. PERFORATE Ba FROM 6172'-74', 6247'-48', 6294'-96', 6298'-300', 6322'-24', 6427'-29', 6439'-40' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7341 GAL 16# LINEAR W/7341# 20/40 SAND @ 1-1.5 PPG, 28354 GAL 16# DELTA 200 W/93000# 20/40 SAND @ 2-4 PPG. MTP 6660 PSIG. MTR 50.8 BPM. ATP 4083 PSIG. ATR 41.9 BPM. ISIP 1934 PSIG. RD HALLIBURTON.

STAGE 11. RUWL. SET 6K CFP AT 6117'. PERFORATE Ca FROM 5907'-08', 5909'-10', 5911'-13', 5927'-28', 5952'-53', 6020'-21', 6028'-29', 6030'-31', 6091'-92', 6099'-100', 6101'-02'@ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7352 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 24010 GAL 16# DELTA 200 W/75900# 20/40 SAND @ 2-4 PPG. MTP 4560 PSIG. MTR 50.7 BPM. ATP 3459 PSIG. ATR 48.4 BPM. ISIP 1612 PSIG. RD HALLIBURTON.

STAGE 12. RUWL. SET 6K CFP AT 5814'. PERFORATE Ca FROM 5647'-50', 5720'-22', 5733'-34', 5782'-83', 5785'-87', 5789'-92'@ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 21958 GAL 16# DELTA 200 W/75800# 20/40 SAND @ 3-4 PPG. MTP 4387 PSIG. MTR 51.2 BPM. ATP 3115 PSIG. ATR 49.4 BPM. ISIP 2047 PSIG. RD HALLIBURTON.

STAGE 13. RUWL. SET 6K CFP AT 5532'. PERFORATE Pp/Ca FROM 5378'-79', 5381'-87', 5430'-33', 5509'-10', 5511'-12'@ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 23522 GAL 16# DELTA 200 W/80200# 20/40 SAND @ 3-4 PPG. MTP 5395 PSIG. MTR 51.1 BPM. ATP 2587 PSIG. ATR 48.6 BPM. ISIP 1552 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 5262'. BLED WELL TO 0 PSIG. RDMO CUTTERS WIRELINE & HALIBURTON SERVICES. SWIFN

07-23-2010	Re	eported l	Ву	MCCURDY							
DailyCosts: D	rilling	\$	10,030	Co	ompletion	\$6,080		Daily	Total	\$16,110	
Cum Costs: D	Prilling	\$	696,751	Co	ompletion	\$634,457		Well 7	<b>Fotal</b>	\$1,331,208	
MD	9,220	TVD	9,220	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation: N WASATCH	MESAVE	ERDE /	PBTD:	0.0		<b>Perf</b> : 5378'-	8991'		PKR De <sub>l</sub>	<b>pth:</b> 0.0	

Activity at Report Time: POST FRAC CLEAN OUT

	Start	End	Hrs	<b>Activity Description</b>
--	-------	-----	-----	-----------------------------

06:00 06:00 24.0 MIRU ROYAL RIG 2. ND FRAC TREE & NU BOP. TESTED BLIND RAMS TO 3500 PSIG. RIH W/BIT & PUMP OFF SUB TO 5171'. TESTED UPPER AND LOWER PIPE RAMS TO 2500 PSIG. RU TO DRILL OUT PLUGS. SDFN.

07-24-2010	R	eported	l By	MCCURDY							
DailyCosts: I	Prilling		\$10,030	(	Completion	\$61,487		Daily	Total	\$71,517	
Cum Costs: I	Orilling		\$706,781	(	Completion	\$695,944		Well	<b>Total</b>	\$1,402,725	
MD	9,220	TVD	9,220	Progress	<b>s</b> 0	Days	12	MW	0.0	Visc	0.0
Formation: 1 WASATCH	MESAVE	ERDE /	PBTD:	0.0		<b>Perf</b> : 5378'-	8991'		PKR De <sub>l</sub>	oth: 0.0	

Activity at Report Time: FLOW TEST

#### Start End Hrs Activity Description

06:00 06:00 24.0 SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5262', 5532', 5814', 6117, 6464', 6806', 7072', 7386', 7720', 8000', 8176', 8460', & 8726'. RIH. CLEANED OUT TO @ 9107'. LANDED TBG AT 7085' KB. ND BOPE & NUTTEE PLANED OFF DIE 6, GUID PROCESS.

NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 12 HRS. 16/64" CHOKE. FTP 850 PSIG. CP 1000 PSIG. 66 BFPH. RECOVERED 661 BLW. 12,613 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.30'

1 JT 2-3/8 4.7# N-80 TBG 32.64'

XN NIPPLE 1.10'

228 JTS 2-3/8 4.7# N-80 TBG 7031.01'

BELOW KB 19.00' LANDED @ 7085.05' KB

NOTE: GALLED THREADS ON TOP & BOTTOM OF LANDING HANGER. HAD TO CUT OFF PIN OF TUBING AND LEAVE IN HANGER TOP.

07-25-2010	Re	eported	By	BAUSCH							
DailyCosts: Dr	illing		\$10,030		Completion	\$3,710		Daily	Total	\$13,740	
Cum Costs: Dr	illing		\$716,811		Completion	\$699,654		Well '	Total	\$1,416,465	
<b>MD</b> 9	,220	TVD	9,22	0 Progr	ress 0	Days	13	MW	0.0	Visc	0.0
Formation : M	ESAVE	RDE /	PBTD	: 0.0		<b>Perf</b> : 5378'-	8991'		PKR Dep	oth: 0.0	

WASATCH

**Activity at Report Time:** FLOW TEST TO SALES

Start End **Activity Description** 

06:00 06:00 24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 950 PSIG & CP 950 PSIG. TURNED WELL OVER TO QUESTAR

SALES AT 10:30 AM, 7/24/10. FLOWED 200 MCFD RATE ON 20/64" POS CHOKE. STATIC 165. QUESTAR

METER #008209.

**Activity Description** 

**Activity Description** 

FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 20/64 CHOKE. FTP 950 PSIG. CP 1000 PSIG. 48 BFPH. RECOVERED 1160 BLW. 11,453 BLWTR. 248 MCFD RATE.

07-26-2010	Re	eported	l By	BAUSCH	Н							
DailyCosts: Dri	lling		\$7,912		Comple	etion	\$3,260		Daily T	otal	\$11,172	
Cum Costs: Dr	illing		\$724,723		Comple	etion	\$702,914		Well To	otal	\$1,427,637	
<b>MD</b> 9	,220	TVD	9,22	20 Pro	gress	0	Days	15	MW	0.0	Visc	0.0
Formation: MI WASATCH	ESAVE	RDE /	PBTD	0.0			<b>Perf</b> : 5378'-8	3991'		PKR Dep	oth: 0.0	

End

End

Start

Start

Activity at Report Time: FLOW TEST TO SALES Hrs

06:00	06:00	24.0 FLOWED 24 HRS. 20/64 CHOKE. FTP 950 PSIG, CP 1000 PSIG. 49 BFPH. RECOVERED 1,170 BBLS, 10,283
		RI WTR 287 MCF/D FLOWED THROUGH TEST UNIT TO SALES

07-27-2010	Re	porte	d By	BAUSCH							
DailyCosts: Dr	illing		\$7,912		Completion	\$3,260		Daily T	otal	\$11,172	
Cum Costs: Dr	illing		\$732,635		Completion	\$706,174		Well To	otal	\$1,438,809	
<b>MD</b> 9	,220	TVD	9,22	20 <b>Prog</b> i	ress 0	Days	15	MW	0.0	Visc	0.0
Formation : M WASATCH	ESAVE	RDE /	PBTD	0.0		<b>Perf</b> : 5378'-	8991'		PKR Dep	<b>oth:</b> 0.0	

**Activity at Report Time:** FLOW TEST TO SALES

06:00	06:00	24.0 FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 20/64 CHOKE. FTP 900 PSIG. CP 950 PSIG. 45 BFPH.
		RECOVERED 1080 BLW. 9203 BLWTR. 306 MCFD RATE.

Form 3160-4

# UNITED STATES

FORM APPROVED

(August 2007)	)				OF THE II ND MANA										1004-0137 ly 31, 2010
	WELL	COMPL	ETION C	R REC	OMPLET	ION R	EPORT	AND I	LOG				ease Seria		- 11- 11- 11- 11- 11- 11- 11- 11- 11- 1
1a. Type o	f Well	Oil Well	<b>⊠</b> Gas	Well [	Dry	Other						6. If	Indian, A	llottee o	or Tribe Name
	f Completion		ew Well	☐ Work (	Over 🔲	Deepen	☐ Plu	g Back		Diff. Re	svr.	7 11	nit or CA	A green	nent Name and No.
		Othe	r									7. 0.	int of CA	Agreem	ient ivame and ivo.
2. Name of EOG F	f Operator RESOURCE	S, INC.	E	-Mail: MIC	Contact: KENZIE_C		EOGRE	SOURCE				E	ase Name	APITA	
3. Address	1060 EAS VERNAL,						Phone N : 453-78	lo. (includ 81-9145	le area	code)		9. A	PI Well N	lo.	43-047-40515
4. Location	n of Well (Re			nd in accord	lance with F	ederal req	uirement	s)*				10. I	ield and l	Pool, or . BUTT	Exploratory ES
At surfa			5FNL 1768									11. 5	Sec., T., R	., M., or	Block and Survey S R23E Mer SLB
At top p	orod interval	reported be	elow NW	NE Lot 29	95FNL 170	68FEL 40	.06922	N Lat, 109	9.3100	09 W I	.on		County or		13. State
At total	depth NW	NE Lot 2	995FNL 17	68FEL 40	.06922 N I	_at, 109.3	1009 W	Lon				U	INTAH		UT
14. Date S 05/27/2				ate T.D. Re /04/2010	ached		□ D &	e Complet 2 A 🔀 24/2010	ted Read	y to Pr	od.	17. I	Elevations 4	(DF, K 999 GL	B, RT, GL)*
18. Total I	Depth:	MD	9220	19	. Plug Bac	k T.D.:	MD	91	169		20. Dep	th Bri	dge Plug		MD
01 Thurs 17	lectric & Oth	TVD	sical Laga P	un (Submit	convent of one	h)	TVD		T 22	Was x	ell corec	12	<b>⋈</b> No		TVD s (Submit analysis)
(RST/C	BL/CCL/VD	L/GR								Was D	ST run? onal Su		<b>⊠</b> No	☐ Ye	s (Submit analysis) s (Submit analysis)
23. Casing a	nd Liner Rec	ord (Repo	rt all strings			T		T			G1				Γ
Hole Size	Size/G	rade	Wt. (#/ft.)	Top (MD)	Botton (MD)	1 ~	Cemente Depth		of Sks. of Cen		Slurry (BB		Cemen	t Top*	Amount Pulled
12.250	9.6	325 J-55	36.0		<del></del>	01	- VP	- 572		800				0	1
7.875		00 N-80	11.6			16				1750				1000	
	ļ							<u> </u>							
	<del> </del>							<u> </u>							
24. Tubing	Record			]				<u> </u>							.1
	Depth Set (N	(D) Pa	cker Depth	(MD)	Size D	epth Set (1	MD)	Packer De	pth (M	(D)	Size	De	pth Set (N	AD)	Packer Depth (MD)
2.375		7085				,									
25. Produci	ng Intervals					26. Perfor	ation Rec	ord							
	ormation		Тор		Bottom	I	Perforated				Size	1	lo. Holes	_	Perf. Status
	CH/MESAVE	RDE		5378	8991			8744 T 8484 T				-		3 2	
B)		<del></del>				·		8235 T						2	
D)								8029 7	***	_				3	
27. Acid, F	racture, Treat	ment, Cen	nent Squeeze	e, Etc.											
	Depth Interva	al						mount an	d Type	e of Ma	terial				
		'44 TO 89			ELLED WA										
			709 42,827 ( 45 57,623 (												
			58 40,999												
28. Product	ion - Interval		301 101000				,								
Date First	Test	Hours	Test Production	Oil BBL	Gas MCF	Water BBL	Oil C	ravity		Gas Gravity		Producti	on Method		
Produced 07/24/2010	Date 08/12/2010	Tested 24	Production	40.0	1206.0	510.	- 1	Ari	l	Glavity			FLC	WS FR	OM WELL
Choke	Tbg. Press.	Csg.	24 Hr.	Oil	Gas MCF	Water BBL	Gas:0			Well Sta	tus				
Size 24/64	Flwg. 1000 SI	Press. 1500.0	Rate	BBL 40	1206	510		•		PC	W				
	tion - Interva	1 B													
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil C Corr.	ravity API		Gas Gravity		Producti	on Method		
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:0			Well Sta	tus				RECEIVE

**RECEIVED** AUG 3 0 2010

28b. Proc	luction - Inter	val C		_								
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gra		Production Method		
				•						<u> </u>		
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Wel	Il Status			
28c. Prod	luction - Inter	val D	•									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gra		Production Method		
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Wel	Il Status			-
29. Dispo	sition of Gas	Sold, used	for fuel, ven	ed, etc.)	<u> </u>							
	nary of Porou	s Zones (In	clude Aquife	ers):				<del></del>	31. For	mation (Log) Mar	kers	<u></u>
tests,	all important including dep ecoveries.	zones of p th interval	orosity and c tested, cushic	ontents there on used, time	eof: Core e tool ope	d intervals and al en, flowing and s	l drill-stem hut-in pressure	es				
	Formation		Тор	Bottom		Descriptions	s, Contents, etc	c.		Name		Top Meas. Depth
	ional remarks		5378	8991 edure):					BIR MA UTI WA CH BUG	EEN RIVER IDS NEST HOGANY ELAND BUTTE SATCH APITA WELLS CK CANYON CE RIVER		1713 2007 2636 4695 4847 5450 6140 7068
1. Ele	enclosed atta ectrical/Mechandry Notice for	anical Logs	•	• /		Geologic R     Core Analy	-		DST Rep	oort	4. Direction	al Survey
34. I here	by certify that	the forego		ronic Subm	ission #9	omplete and corre	y the BLM W	ell Inforn	nation Syst	records (see attac	hed instruction	ns):
Name	(please print)	MICKEN	ZIE GATES						ONS CLE	RK		
Signal	Mlide	Utilbatida	(AUTO)	on)				8/25/201				
Title 18 U	J.S.C. Section ited States any	1001 and 7	Fitle 43 U.S.	C. Section 1:	212, mak	e it a crime for a	ny person kno to any matter v	wingly and	d willfully urisdiction.	to make to any de	partment or as	gency

#### East Chapita 84-03 - ADDITIONAL REMARKS (CONTINUED):

#### 26. PERFORATION RECORD

7835-7983	3/spf
7462-7699	2/spf
7088-7367	2/spf
6824-7055	3/spf
6488-6788	3/spf
6172-6440	3/spf
5907-6102	3/spf
5647-5792	3/spf
5378-5512	3/spf

## 27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

124 400# 20/40 CAND
134,100# 20/40 SAND
116,600# 20/40 SAND
138,400# 20/40 SAND
106,600# 20/40 SAND
108,600# 20/40 SAND
100,341# 20/40 SAND
35,400# 20/40 SAND
75,800# 20/40 SAND
30,200# 20/40 SAND

Perforated the Lower Price River from 8744'-45', 8772'-73', 8830'-31', 8854'-55', 8858'-59', 8872'-73', 8887'-88', 8891'-92', 8904'-05', 8914'-15', 8921'-22', 8990'-91' w/ 3 spf.

Perforated the Middle/Lower Price River from 8484'-85', 8506'-07', 8519'-20', 8528'-29', 8540'-41', 8550'-51', 8557'-58', 8593'-94', 8624'-25', 8663'-64', 8674'-75', 8689'-90', 8694'-95', 8708'-09' w/ 2 spf.

Perforated the Middle Price River from 8235'-36', 8245'-46', 8255'-56', 8265'-66', 8276'-77', 8288'-89', 8314'-15', 8338'-39', 8357'-58', 8367'-68', 8393'-94', 8409'-10', 8420'-21', 8444'-45' w/ 2 spf.

Perforated the Middle Price River from 8029'-30', 8037'-38', 8047'-48', 8055'-56', 8060'-61', 8067'-68', 8083'-84', 8112'-13', 8119'-20', 8140'-41', 8148'-49', 8157'-58' w/ 3 spf.

Perforated the Middle Price River from 7835'-36', 7838'-39', 7870'-71', 7879'-80', 7890'-91', 7900'-01', 7909'-10', 7921'-22', 7953'-54', 7965'-66', 7972'-73', 7982'-83' w/ 3 spf.

Perforated the Upper Price River from 7462'-63', 7468'-69', 7475'-76', 7507'-08', 7513'-14', 7520'-21', 7535'-36', 7572'-73', 7600'-01', 7671'-72', 7676'-77', 7682'-83', 7690'-91', 7698'-99' w/ 2 spf.

Perforated the Upper Price River from 7088'-89', 7094'-95', 7103'-04', 7131'-32', 7183'-84', 7187'-88', 7233'-34', 7258'-59', 7266'-67', 7276'-77', 7299'-7300', 7352'-53', 7360'-61', 7366'-67' w/ 2 spf.

Perforated the Northhorn from 6824'-25', 6834'-35', 6840'-41', 6846'-47', 6852'-53', 6954'-55', 6958'-59', 6976'-77', 6979'-80', 6981'-82', 7029'-30', 7054'-55' w/ 3 spf.

Perforated the Ba from 6488'-89', 6393'-94', 6496'-97', 6639'-40', 6645'-46', 6681'-82', 6712'-13', 6751'-52', 6756'-57', 6779'-80', 6784'-85', 6787'-88' w/ 3 spf.

Perforated the Ba from 6172'-74', 6247'-48', 6294'-96', 6298'-300', 6322'-24', 6427'-29', 6439'-40' w/ 3 spf.

Perforated the Ca from 5907'-08', 5909'-10', 5911'-13', 5927'-28', 5952'-53', 6020'-21', 6028'-29', 6030'-31', 6091'-92', 6099'-6100', 6101'-02' w/ 3 spf.

Perforated the Ca from 5647'-50', 5720'-22', 5733'-34', 5782'-83', 5785'-87', 5789'-92' w/ 3 spf.

Perforated the Pp/Ca from 5378'-79', 5381'-87', 5430'-33', 5509'-10', 5511'-12' w/ 3 spf.

#### 32. FORMATION (LOG) MARKERS

Middle Price River	7787
Lower Price River	8561
Sego	9120